University of Alberta

The Deserving and Undeserving Poor in Neo-liberal Alberta: Welfare Recipients and the Disabled

by

©

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List of Acronyms

ADA - American Disabilities Act
ALMP - Active Labour Market Programs
AECD - Alberta Advanced Education and Career Development
AFSS - Alberta Social Services and Career Development
AISH - Assured Income for the Severely Handicapped
AHRE - Alberta Human Resources and Employment
CPRN - Canadian Policy Research Network
CAP - Canada Assistance Plan
CCF - Co-operative Commonwealth Federation
CHST - Canada Health and Social Transfer
CSD - Canadian Council on Social Development
DRES - Disability Related Employment Supports
ECSS - Employment and Client Support Services Worker
EI - Employment Insurance
FBW - Financial Benefit Worker
HRDC - Human Resources Development Canada
NDP - New Democratic Party
OECD - Organisation of Economic Co-operation and Development
PLMP - Passive Labour Market Programs
SDP - Skills Development Program
SFI - Supports for Independence
T2T - Toward Two Thousand Toegether
UK - United Kingdom
US - United State
VRDP - Vocational Rehabilitation for Disabled Persons Program

Chapter I
Overview of Neo-liberalism

The Alberta Advantage for whom? - Senator *Ron Gitter*
(A lecture in the series "Keeping the Spirit Alive" presented by St. Stephen's College)
www.uablerta.ca/ST. STEPHENS/ss-abadv.htm)

I Introduction

This thesis examines the impact of neo-liberalism on two disadvantaged groups in Alberta, sometimes called "the deserving and the undeserving poor." In this thesis, the "deserving poor" are identified as people with disabilities, the "undeserving poor" as people in the welfare system. Insights into how these groups have been affected are obtained from interviews with Alberta Human Resources and Employment (AHRE) staff and through analysis of government policy documents. The thesis also examines how AHRE staff responded to and coped with changes introduced in the 1990s to eliminate the deficit and how government policy establishes and enforces expectations for Albertans in the welfare system and those with disabilities.

I.1.a Welfare Recipients – The Undeserving Poor

Labelling the poor has a long history. Gans (1995) identifies the first use of the terms "deserving and undeserving poor" as coming from the English poor laws of 1834. The worthy and the unworthy, a distinction made in the fourteenth century, allowed church parishes to identify the sick, old and the working poor as the worthy poor while the unemployed but able-bodied were seen as the unworthy poor.

Katz suggests that poverty in the capitalist world is a function of how power is exercised and the politics of distribution. Rarely has poverty been seen as anything but an individual or family problem.

> Poverty no longer is natural; it is a social problem. As nations emerge from the tyranny of subsistence, gain control over the production of wealth, develop the ability to feed their citizens and generate surpluses, poverty becomes not the product of scarcity, but of political economy. Yet with few exceptions …this is not the way Americans have talked and

> written about poverty. …The culture of capitalism measures persons, as well as everything else, by their ability to produce wealth and by their success in earning; it therefore leads naturally to the moral condemnation of those who, for whatever reason, fail to contribute or to prosper" (Katz 1989).

This view of poverty, with its distinction between the deserving and undeserving poor, combined with my interest in advocacy for people with disabilities to ensure they can gain what they refer to as "full citizenship", led the development of this thesis.

I became interested in neo-liberalism after taking a course on globalism taught by Professor Gordon Laxer in the Department of Sociology at the University of Alberta. This class, coinciding with the riots at the World Trade Organisation meetings in Seattle in 1999, provided a context that would not otherwise have been available. Explaining political and economic events in the context of the neo-liberal paradigm resonated with my beliefs and I began to view local and world events from this perspective. This perspective helped me understand the principles inherent in the ideology of the Alberta government and in its model for economic prosperity that sees human resources as the corner stone of our community (Alberta 1997).

Since the 1970s, much of the Western world has moved away from the Keynesian model of social democratic, activist governments that embraced social policies seeking full employment and welfare support for citizens in need. The new neo-liberal paradigm moved western democracies toward policies that sought smaller less intrusive government, debt reduction, low inflation, individual responsibility, and a faith in the free market. Alberta eagerly adopted the neo-liberal paradigm and subsequent policy changes beginning in 1993 emphasised debt reduction, massive welfare reform, new employment and training initiatives that made welfare a last resort, and developing a skilled workforce to take advantage of the knowledge economy. These changes reflect three neo-liberal themes that will be referenced throughout this thesis: individual responsibility; small government; and unswerving faith in the free market.

It has always been my concern that policies that focus primarily on human resources, specifically a skilled work force, ignore members of the community who will never have the highly developed skills needed to obtain "good" jobs. In addition, there will never be enough "good" jobs for everyone. Promoting a highly educated and skilled workforce can set people up for frustration and disappointment, and ignores those unable to meet the "skills test."

I.*1.b People with Disabilities – The Deserving Poor*

Welfare reform, with its expressed belief that people are responsible for their successes and failures, did not directly address people with disabilities. In fact neo-liberal discourse is silent on this group. Policy for this group has never been a priority and has tended to be subsumed within issues of poverty, the medical paradigm, compensation for industrial workers and military personnel, and social control (Oliver, 1990; Thompson, 1993).

Michael Oliver (1990) has been a leader in Britain in his efforts to develop a theory of disability within a sociological framework that demonstrates that disability is culturally produced and socially structured. Oliver argues that if people with disabilities were seen as tragic they would be treated as victims of tragedy. However, if disability is defined as social oppression, then people with disabilities will be seen as the collective victims of an uncaring society, and perhaps social policy designed to alleviate oppression rather than compensating individuals, will result. Oliver also points out that the need to identify and classify disabilities is important in order to identify those who are unable to work as opposed to those who are unwilling to work .To see disability as a matter of personal tragedy or pathology is similar to Ryan's (1976) concept of "blaming the victim". The wider social and political dimensions are ignored and the focus remains on the narrow individualistic level. This distinction has, and continues to be, a critical method of determining the deserving and the undeserving poor and plays an important role in eligibility for support (Oliver, 1990).

Oliver (1990) suggests that the core ideologies of capitalism, specifically individualism, and peripheral ideologies of medicalisation and personal tragedy theory have determined the ideal of disability. This critique has interesting parallels with themes identified in neo-liberal discourse. People who are unable to work have historically been seen as deserving of government assistance. In Alberta, the designation of "not expected to work" is critical to establish that a person is worthy of ongoing support. The first goal of the 2002-2005 AHRE Business Plan states that the government will "Provide financial benefits and services to meet the basic needs of Albertans who are eligible to receive income support" (p. 4). The 2004/07 Plan states more clearly that "Albertans who are unable to provide for their basic needs will receive help". (AHRE, 2004)

As a result of the work of Oliver and others, the British disability movement defines disability in social rather than individual terms:

> We hold that disability is caused by segregative social arrangements, which deny equality of opportunity to impaired people to participate in mainstream social activities. We are committed to the removal of all such barriers, whether physical, organisational or attitudinal and their replacement by arrangements which enable us to play a full part in the social, political and economic life of the country (DCDP Equal Opportunities statement 1986 in Thompson, 1993, p.107).

The Disabled Peoples Movement, a generic term for the politicisation of disability issues that avoids the traditional model of disability (Thompson, 1993), argues that there is a need for a new paradigm that "focuses not on individual tragedy or 'special' needs but more appropriately on the barriers to empowerment and self-realisation that a disabling society places before those citizens who have an impairment" (Thompson, 1993, p.119). The movement seeks a realisation that all people require some form of aid to live satisfactory day-to-day lives and we should not discriminate against people with a recognised disability. Though Canada has never had as vocal a disability rights movement as Britain, many of the themes advocated by the Disabled Peoples Movement can be seen in current Canadian policy, particularly in the *In Unison* document (HRDC, 1999) developed by the federal, provincial, and territorial Social Services Ministers. American disability policy is represented by the American Disabilities Act (ADA) of 1990. According to Scotch (2001), the medical model in which incapacity to work is the defining characteristic dominates American disability policy. In this paradigm, if a person can work they are not disabled. Those capable of work are deemed not to be disabled and not eligible for benefits. Recent legal rulings have written this simplistic distinction into American federal policy. In 1990, the Supreme Court excluded from ADA protection individuals whose impairment can be corrected (Scotch, 2001). Another persistent theme identified by Scotch is the tendency in American disability policy toward the cultural construction of worthiness. As will be discussed in Chapter III, it appears that the rhetoric of Canadian disability policy is moving toward the values of the British Disability Movement while the reality demonstrates that the medical and personal tragedy paradigms continue to shape many services for people with a disability.

I.2.a Research Questions and Research Methods

In this thesis, I examine how service delivery has changed in Alberta since the Klein government took office in 1993, and how people with disabilities and those socially and economically disadvantaged to the extent that they are in the welfare system have been impacted by these changes. By analysing service delivery to these two groups I hope to demonstrate how policies designed to promote individual responsibility and independence, while they may assist middle class clients, serve to reinforce and promote inequities for the disadvantaged. I will also attempt to determine if these two disadvantaged groups receive different levels of service and can be further categorised as the "deserving" and the "undeserving poor."

Why have I chosen to focus my research on welfare recipients and people with disabilities in Alberta? Why not other groups, and why not another province? Alberta was an obvious choice, not only because I am familiar with Alberta Human Resources and Employment (AHRE) policies and staff, but also because Alberta, followed by Ontario, led the way in introducing neo-liberal policies, particularly deficit cutting, smaller government, and individual responsibility. Alberta, also, has specific, sometimes leading-edge, programs for people with disabilities and clear expectations for those able to work and those unable to work. Alberta provides fertile ground for research that focuses on these two groups as this province can be seen as reflecting the future in a neo-liberal society for the "deserving" and the "undeserving" poor who represent prototypical extremes of disadvantaged groups in society. Although the direction in Canada is to assist people with disabilities to move into employment, I expect that this thesis will provide valuable information on how neo-liberalism in Alberta is impacting people with disabilities.

Although there is a large body of research on neo-liberalism, there is less on its impact on welfare clients and even less on people with disabilities. By contrasting these two groups, examples of the "deserving" and the "undeserving poor," I hope that a deeper understanding of unique differences as well as common realities of the poor can be found. I also wish to add to the body of knowledge relating to people with disabilities and their efforts to obtain full inclusion in society.

In 1999, the departments of Alberta Family and Social Services (AFSS) and Alberta Advance Education and Career Development (AECD) merged into the department of AHRE. These two departments had distinct entrenched cultures - AFSS had a social work perspective while AECD had a career development perspective. A key difference in these two cultures is the responsibility to provide income support to those in need. AECD staff had never had that specific responsibility while it has always been a key responsibility of former AFSS staff.

My research included an analysis of AHRE policy documents and in-depth interviews with AHRE staff to determine how they perceived the changes in government policy and services to the two target groups. Initially, my intention was to directly assess how the two identified disadvantaged groups – people with disabilities and clients receiving welfare – fare in an environment that has its roots in English political economy with its notion of "less eligibility"[1] and "self help" and faith in the market to create jobs. Those who fail in this environment must prove that they are eligible for assistance (Esping-Anderson, 1999). I assumed that disadvantages for welfare clients, while perhaps not as obvious as for those with disabilities, were equally as significant. Although periods of unemployment are a common experience for both people with disabilities and welfare clients, society's reaction to the state of unemployment differs. People with disabilities are probably seen as the "deserving poor," struggling to find a place in the labour market, while "undeserving" welfare recipients are expected to work and may be seen as living off the state. Hence, expectations of welfare clients could be expected to be higher than for people with disabilities.

However, since I did not have access to client-specific data or authority to interview clients, I could not pursue this research goal. Therefore, I decided to focus on government documents and to interview AHRE staff. While I could not obtain information from disadvantaged Albertans, this strategy provided the opportunity to gather information on and from public servants directly impacted by changing government ideology.

The following research questions are addressed in this thesis:

1. Is neo-liberal ideology reflected in Alberta Human Resources and Employment (AHRE) policies and, subsequently, in programs and services?
2. If it is, do AHRE staff support and accept government (neo-liberal) ideology?
3. Are values, beliefs, and acceptance of neo-liberal ideology similar among staff serving people with disabilities and those working with welfare clients (the deserving and undeserving poor)? If not, what are the significant discrepancies? Do they reflect the different cultures of the two original departments? How do these differences impact service delivery?
4. Have contemporary western societies moved so far in adopting neo-liberal policies that "hegemony" more or less exists in terms of departmental policy and staff beliefs?

I.2.b Data Collection

The first research method employed in this thesis was a review of government policy statements, business plans, and annual reports, obtained from Alberta and federal government department libraries and the internet. This method was used to illustrate the government adoption of neo-liberal ideology and the type of society it envisioned.

Pollitt (1998) argues that the intent of changes in social policy is often diluted as it moves from senior management to service delivery. Hence, additional data for this thesis were gathered through semi-structured interviews with 13 AHRE staff and through observation and informal interviews (see Appendix 1). Staff interviews were targeted with individuals who worked with people with disabilities as well as those who assisted welfare clients. Interviewees were either currently involved in service delivery or people who had been in direct delivery but were currently in supervisory or policy development

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[1] Less-eligibility principles, established in the English Poor Laws, are that government should discourage claimants from cheating the system by ensuring that life on social assistance is less comfortable than life in the paid workforce (Crichton & Jongbloed, 1998

roles. Interviewees were selected as knowledgeable observers able to provide direct comment on service delivery to the targeted client groups and who could also provide a broader perspective relating to government policy direction and how this direction influenced their work. Some interviewees provided thoughtful comments on how government direction and policy impacted their role as service providers while others, although providing valuable comments on service delivery and where they perceived gaps and weaknesses were not able to comment on the impact of changes in government direction. I choose the interviewees through an informal snowball process. First, I talked to experts with whom I was acquainted and then asked them for names of people across the province who might agree to an interview. I was deliberate in ensuring that my interviews included people from Edmonton, Calgary and smaller centres in order that my data would not be skewed by using Edmonton respondents only.

AHRE currently has a significant number of programs delivered by external providers, individuals who are contracted to deliver specific services to clients. Initially, it was my intention to include external service-providers in the interview process. The volume of data potentially generated by including this group made this strategy impossible. In addition, interviews were not conducted with management. Perspectives of senior management could be expected to introduce a significantly different perspective. The intent of the interviews was to obtain the perspective of staff delivering direct client service; including management would necessitate analysing interviews in terms of staff role, a task deemed to be too large for this thesis. Some of the interviewees are now in supervisory or program development roles and, although their current position no doubt influenced the information received in the interviews, every effort was made to focus on the experience and perspective regarding direct service delivery.

As an employee of AHRE, I am also a participant observer in this study. My experience and background shapes and influences my interpretation of the interviews and my final conclusions. In my current position, I work directly in the development of operational policy specifically for people with disabilities. I took advantage of my contact with a wide range of staff to make observations on the attitudes of staff toward the two client groups. I also built on information received in the course of my work and was able to conduct informal discussions with staff to include in my data. I informed these contacts of the focus and intent of my studies and received their agreement to include the information they provided in my thesis. These discussions often provided insights on both the perceived influence of government policy on service delivery and staff reaction to changes over the last ten years.

Interviews with staff were taped, key points were transcribed, and themes were then identified from the interviews. Informal discussions were not taped, but key comments and themes were written down after the interviews.

I.3 Research Ethics

Interviewing government staff about their work and their opinions on changes made by their employer requires careful consideration of research ethics. A University of Alberta Research Ethics Board approved the data collection procedures used in this study. The interviewees were informed of the nature of the study and they were given an information letter on the topic and their rights. They signed a consent form indicating their willingness to participate, based on their understanding that their participation was voluntary, that they could end the interview at any time, and that their responses would remain confidential.

Although it was necessary to inform respondents of their rights, there was minimal concern expressed over participating in the interview. I received one question concerning answers being shared with managers. No other concerns were raised. No names have been used in quotations, and any other identifying information has been removed.

All the information cited in the thesis, with the exception of comments made by the interviewees, is in the public domain in the form of business plans, annual reports, public policy documents, and news releases. No information concerning policy or program development that is under development, but not yet available to the public was used in this thesis.

I.4 Chapter Overview

Chapter II provides a framework for understanding neo-liberal economic theory, followed by a contrasting review of the theoretical underpinnings behind the notion of a welfare state. Included in this discussion is an overview of poverty as viewed in neo-liberal and welfare state theories. Chapter III examines Canadian social policy in a neo-liberal society with a review of historical and current social policy including the movement from a traditional liberal to a social welfare to a neo-liberal state. This chapter also discusses social policy in a neo-liberal society for people with disabilities, examines the history of disability policy, and comments on emerging Canadian policy in this area. The belief that education and training will provide work for the unemployed and non-labour force-attached individuals, as well as alleviating skill shortages in the labour force, is presented as an integral part of neo-liberal policy. Closely related is the emphasis on Active Labour Market Programs (ALMP) as opposed to Passive Labour Market Programs (PLMP), and how this policy direction is represented in Welfare Reform and the Labour Market Development Agreement.

Chapter IV presents an analysis of Alberta government annual reports, business plans and policy documents in an effort to demonstrate how neo-liberalism has been introduced into service delivery in AHRE. The policy review also mentions any changes that impact people with disabilities.

Chapter V analyses service delivery in AHRE, relying on information provided through interviews with staff. From these interviews, inferences will be made about the extent to which neo-liberalism has been introduced to AHRE program, and is espoused by AHRE staff.

Chapter VI summarizes the findings, draws conclusions, and makes suggestions about possible further research. It also comments on the extent to which neo-liberalism appears to have gained hegemony in AHRE, and asks if any other forces serve to counter the impact of neo-liberal ideology and service delivery.

Chapter II
Framework for Understanding Neo-liberal Economics

What is neoliberalism? A programme for destroying collective structures which may impede the pure market logic. – Pierre Bourdieu, Centre for European Sociology
http://mondediplo.com/1998/12/08bourdieu

II Introduction

The last three decades have seen labour markets, education and training policies, welfare reforms, and the meaning of citizenship itself simultaneously being shaped by and shaping neo-liberal beliefs. This chapter will review the roots and development of neo-liberalism, and contrast this paradigm to the system of welfare capitalism that preceded it.

The world-wide recession of 1973 saw the beginning of economic restructuring and social and political readjustment that ushered in what is now frequently referred to as the post-industrial era. The changes apparent since 1973 have been characterised by Harvey (1990) as the end of the Fordist period where business, government and labour worked together to achieve economic growth and stability and improved conditions for labour. McQuaig (1998) describes this period as being characterised by the collapse of the Bretton Woods agreement, which attempted to control the movement of capital and maintain full employment, and the rejection of Keynesian economics for a return to classical economics. After forty years the consensus that government had a positive role to play in the economy began to break down (Jeffery, 1999; Gray, 1998).

This paradigm shift began in the 1970s and saw a move away from a Keynesian public policy orientation toward the neo-liberal demand that government be re-invented. For Gray (1998) the "Great English Transformation" that had began in England in the mid-nineteenth century with the goal of freeing economic life from social and political control by constructing a free market was being reintroduced once more. This free market economy is one in which the price of all goods, including labour, changed without regard to the effects on society. Today, as in that first great social experiment, economic life is less and less constrained by the need to maintain social cohesion and to ensure that markets are embedded in society and subject to various regulations and restraint.

"Neo-conservatism" in the United States, "neo-liberalism" in Europe, and the "new right" in Britain are all terms used interchangeably for the now dominant economic and political paradigm of the early 21st century which is described as "… the policies and processes whereby a relative handful of private interests are permitted to control as much as possible of social life in order to maximise their personal profit". (Chomsky, 1999, p.7) This definition of neo-liberalism is based on political economic theory. Other research strands make the distinction between neo-liberal and neo-conservative theory. Michael W. Apple, for example, states that neo-conservatives are not as interested in the pressure to follow the dictates of the market above all else (Apple, 1993). From his perspective, neo-liberalism emphasizes economic issues while neo-conservatisms tends to focus on social issues that include family values and fundamental religious principles. This thesis will use the term neo-liberalism throughout recognising that debate continues within separate disciplines about the exact meaning of this term.

Laxer (1999) summarises the neo-liberal paradigm as including open financial and capital accounts, removal of foreign exchange restrictions, reduced public expenditures, balanced budgets, low corporate taxes, deregulation of businesses, foreign investment, selling of public enterprises, and secure private property monopolies. Lawrence Summers, a former Deputy Secretary of the Treasury said in a speech in 1996

> I believe the case for a globalist economic policy is now stronger than it has ever been. After World War II, the primary concern was with the economic development of a war-ravaged Europe and Japan. Now, our challenge is to integrate the 5 billion people of the developed world into a truly global economy (Summers, 1996; also quoted by Laxer, 1999, p.2)

Western world leaders, multinational CEOs, and many citizens in the developed world accept that a world shaped by neo-liberal globalist principles is inevitable, almost preordained. The events at the World Trade Organisation meetings in Seattle in 1999 offer clear evidence of how the acceptance of neo-liberal principles as reality can blind world leaders to any alternatives or potential challenges. Despite the fact that the opponents of globalism and unrestricted free markets made clear their intentions to protest the conference, the organisers were not prepared for the massive demonstrations that took place in Seattle.

The neo-liberal mantra of the free market states that governments are inefficient institutions that should be limited so as not to hurt the natural effectiveness of the market. In keeping with this free market philosophy, the Canadian and Alberta governments have moved ruthlessly, cutting spending and eliminating deficits to create a welcoming environment for business and to satisfy the demands of the International Monetary Fund and the World Trade Organisation (Harrison & Laxer, 1995; Laxer, 1999; McQuaig, 1998).

Neo-liberalism also has implications for a civic-centred political culture. Since governments should "get out of the way", the population, too, should bow to the demands of the market. An effective democracy requires active political involvement from people who feel a connection to their fellow citizens. Neo-liberal democracy with its emphasis on the market produces individual consumers who tend not to be connected to their community. "Neo-liberalism is the enemy of genuine participatory democracy" (Chomsky, 1999, p.11). People are increasingly unable to marshal the democratic forces necessary to challenge the changes resulting from implementation of neo-liberal policies.

Citizens are further disempowered, as government and companies downsize and people's jobs and livelihood are threatened. Their interest in survival takes precedence over community involvement. Combine this with the power of advertising and media promoting consumerism, with the pressure to be adaptable and flexible, and an individualistic, neo-liberal society is born. For some lucky citizens this free market society is working. The "fortunate few" (Bienefeld, 1994, p.104) are satisfied. Those who are not successful have only themselves to blame according to neo-liberal beliefs and, if they try, they could surely find work and improve themselves. For those who have the power and control, it is easy to ignore the rising homeless population in many countries, the high rate of child poverty, and the increasing number of working poor (Bienefeld, 1994; Chomsky, 1999; Myles & Quadagno, 2000).

II.1 Evolution of Neo-liberalism in the U.K. and North America

Neo-liberalism made its way into both Britain and the United States in the late 1970s and 1980s during times of recession, economic restructuring, and government debt. The middle class felt under siege, fearing for its jobs and security. The time was ripe and politicians and the public began to heed the voice of neo-liberal economists like Milton Friedman and F.A.Hayek with their fierce advocacy of classical, laissez-faire economics (Demont & Lang, 1999; McQuaig, 1998). These neo-liberal economists focused on government downsizing by demanding smaller government and freer markets. This, in turn, meant cutting expenditures directed towards the poor and disadvantaged who were expected to take responsibility for their own welfare. "Government was seen as a hindrance to these industrious consumers in an expanding laissez-faire capitalist world. The spread of untrammelled market values to all areas of life were seen as endangering an open democratic society". (Soros, quoted by Laxer, 1999, p.3)

When Margaret Thatcher was elected in 1979, she introduced her vision of individual rights and, more importantly, individual responsibility where self-reliance and initiative replaced the public good and the role of the state as guiding principles. The integrative role of the state was rejected and state powers strictly limited to clearly defined purposes. Thatcher's drastic dismantling of much of the infrastructure of the modern liberal-democratic state saw government spending cut and the "privileges of interest groups" supported by the state eliminated. During her first term in office Thatcher had the support of the middle class, particularly small business owners and entrepreneurs looking to improve their economic outlook after a period of recession. The Thatcher years were characterised by privatising public enterprises, deficit cutting, downsizing government, and cutting welfare costs (McQuaig, 1998; Gray, 1998; Jeffrey, 1999).

The Thatcherite understanding of the role of the state was that it should supply a framework of rules and regulations within which the free market including the labour market would be self-regulating. Employment law and policy was reshaped and included downward pressure on wages and decreased costs for employers. As in other countries, there was an increase in part-time and contract work. Entitlement to welfare was restricted and unemployment benefits were designed to compel people to work at market-driven wages. Economic and social inequality grew faster than in any other country except New Zealand where neo-liberal reforms were more radical (Gray, 1998, p.30).

During the period of the Thatcher government, the United States experienced similar economic and social disruption. The recession of the 1970s, the oil crises, a series of political crises, and the emergence of new economic powers in Asia all helped set the stage for Ronald Reagan and his neo-liberal message. Reagan's anti-state, anti-welfare "trickle down theory" appealed to the middle class, the corporate elite, and populist right-wing groups. The Republican caucus identified five principles referred to as their "basic philosophy of American civilisation" (Jeffrey, 1999, p. 34). These principles of limited government, individual liberty, personal responsibility, economic opportunity, and security of the individual and the state appealed to the concerns of the electorate the Republicans wanted to target. These principles were being espoused at a time when Americans were looking for a change that would improve individual economic circumstances, restore the United States to its position of world leader, clean up government and stop crime. As in Britain, the neo-liberal message appealed to citizens facing economic recession because it advocated smaller government, cuts to the welfare state, and deregulation of the market place. People were urged to take personal responsibility for their own welfare and to take advantage of the opportunities available in the market (Gray, 1998; McQuaig, 1998; Jeffrey, 1999).

The idea that the United States was a country built on free market, *laissez-faire* doctrines and minimalist government is a historical myth. In reality, the United States economy was built behind high tariff walls and massive state and federal government intervention to open the West and to build railways and highways. On a personal liberty front, the American government is the only western nation, other than Canada, that attempted to enforce Prohibition. However, these myths have been used in neo-liberal rhetoric to promote and ingrain a philosophy that, rather than building on history, is a celebration of modernity. Remoulding American society to suit the imperative of free markets has involved the use of corporate and federal government power to bring about levels of economic inequality unknown since the 1920s (Gray, 1998).

Like Britain and the United States, Canadians faced economic upheaval and restructuring during the seventies and early eighties. However, Canada, more "left-wing" and more respectful of authority and elites than the United States, did not experience the dramatic swing to the right seen in the United States and Britain until the mid-nineties. This delay was despite the efforts of Preston Manning and the Reform Party who during the booming eighties continued to raise fiscal issues. Meanwhile, the Mulroney government, regardless of its neo-liberal rhetoric, presided over a blossoming deficit during a period of strong economic growth. It was also during this time that free trade, the goods and services tax (GST), and the failure of the Meech Lake and the Charlottetown Accords became part of Canadian history and served to break middle class Canada's trust and belief in government and politicians (Jeffrey, 1999; Demont & Lange, 1999). When the booming 1980s crashed into the 1990s, Canadians joined the United States and Britain in embracing neo-liberal dogma, electing Ralph Klein, Mike Harris, Jean Chrétien and, in time, Paul Martin. As has often been the reality in Canadian politics, the opposition voice in the person of Preston Manning promoted a vision of change that was ultimately accepted and then co-opted by the Liberal party.

Despite the fact that numerous aspects of neo-liberalism have been discredited, this paradigm has become ingrained in Western economic life. Gray (1998) argues that today's *laissez-faire* experiment will be even briefer than the original British experiment which lasted from 1870-1914 before it was swept away in the trenches of the First World War. Economic globalisation weakens rather than strengthens the current global free market.

> There is nothing in today's global market to buffer against the social strains arising from highly uneven economic development within and between the world's diverse societies. The swift waxing and waning of industries and livelihoods, the sudden shifts of production and capital, the casino of currency speculation – these conditions trigger political counter-movements that challenge the very ground rules of the global free market.(Gray, 1998, p.7).

The belief in combining small government and a free-market has also been challenged. A.V. Dicey commented on the original nineteenth-century *laissez-faire* experiment: "sincere believers in *laissez-faire* found that for the attainment of their ends, the improvement and strengthening of government machinery was an absolute necessity". (Gray 1998, p. 26). Although the economic community has never taken the theory of "supply-side economics" seriously, strands of this theory can nevertheless be found in the writings of neo-liberal journalists such as David Frum and William Buckley Jr. (DeMont & Lange, 1999).

Neo-liberalism, then, is a set of values that promotes an unrestricted free market, limited government interference, individual freedom, consumerism, free trade, balanced budgets, and deregulation.

"The general ethical precept of neo-liberalism can be summarized approximately as:

- act in conformity with market forces
- within this limit, act also to maximise the opportunity for others to conform to the market forces generated by your action
- hold no other goals. (Treanor, 2004).

Acceptance of this precept has increased over the last twenty years. Today, neo-liberal beliefs shape and influence the majority of political and economic decisions in western democracies.

II.2 The Decline of Welfare Capitalism

In a critique of the neo-liberal paradigm it is important to identify exactly what neo-liberalism has been replacing. In western democracies, the response to the Depression and the Second World War was the creation of what is known today as the welfare state or welfare capitalism. Europe and North America, in different ways, moved toward establishing a social safety net that included state-sponsored welfare, unemployment insurance, pensions, and health care programs. During this time there was a widespread consensus that government had a role to play in the economy. The Keynesian model in which full-employment was seen as a priority, rather than low interest rates or inflation, was adopted as a way to provide economic and social stability (Jeffrey, 1999).

Post-war welfare capitalism was successful because it succeeded in unifying social citizenship, full employment, and a well-functioning industrial relations system. Fortunately, during the post-war years a well-functioning labour market and a relatively young labour force facilitated full employment, declining inequality, and improved economic security. The major impact on employment and equality during this era was the consolidation of social citizenship rights. According to Esping-Andersen (1990), social citizenship constitutes the core idea of the welfare state and "if social rights are given the legal and practical status of property rights, if they are inviolable, and if they are granted on the basis of citizenship rather than performance, they will entail a de-commodification of the status of individuals vis-à-vis the market" (p.21). Today, however, the welfare state may no longer be sustainable in the kind of economic order that is unfolding (Harvey, 1990; Esping Andersen, 1999).

Esping-Andersen (1990) writes about the "three-worlds" of welfare capitalism. His typology is based on "the ways in which welfare production is allocated between state, market, and households" (Esping-Andersen, 1999, p.73). The three regimes are: the liberal welfare regime reflected in the Anglo-Saxon countries including Britain and North America; the conservative welfare regime including Continental European countries; and the social democratic welfare regime including the Nordic countries. My focus will be on the liberal welfare regime.

Liberal social policy can trace its roots back to nineteenth-century English political economy, to its notion of "less eligibility" and "self help" and the unfailing liberal belief in the sovereignty of the market. This belief continues today with a commitment to minimise the role of the state, to individualise risk, and to promote market solutions to economic and social problems. Little credit is given to citizens' legitimate needs. Three core elements characterise the liberal regime (Esping-Andersen, 1999).

First, the regime is residual in that social guarantees are available to the "less eligible" or to "bad risks" based on means and asset testing for eligibility. This requirement has traditionally resulted in families "spending down" their resources in order to qualify. Benefits are subject to high marginal tax rates imposing welfare traps that create little incentive for welfare recipients to work their way out of poverty. Surveillance and administrative rates are high and take-up rates are low because of the stigma associated with "welfare" Welfare is intended for the poor alone and public support for the program is usually weak (Myles & Quadagno, 2000).

Second, liberal policy is residual in the sense that it adheres to a narrow concept of what risks should be considered "social". What is eligible varies from country to country. In Canada, health benefits and family allowances are universal benefits while welfare benefits, based on market failures, are targeted at "bad risks" and involve income and asset testing.

The third element of liberal policy is its encouragement of the market. Canada does have a public welfare program. The residual approach creates dualism: the good risks can be self-reliant in the market while the bad risks become "welfare dependents" (Esping-Andersen, 1999, p.78). There are several ways of using the market to provide support programs including individual initiatives such as personal retirement plans and life insurance or collective actions like group insurance and other benefits gained through collective bargaining agreements (Esping-Andersen, 1999).

II.3 Trends in Post-industrial Employment

Neo-liberal theorists see economic activity and job growth coming primarily from the market. The Organisation of Economic Co-operation and Development (OECD) in its *Job Study* (OECD, 1994) advocated virtually the complete dismantling of labour market regulations as the best means of securing future employment growth. Employment security and good working conditions become something that employers choose to extend to employees depending on market conditions. In 1996, the OECD recognised that complete deregulation brings negative consequences such as reduced incentives for employers to train and increased inequality (OECD, 1996a). Despite this, more and more areas affecting the economy are now off limits to democratic influence and are left to the market (Crouch et al, 2001). In neo-liberal Western countries a growing "underclass", a declining middle class, a rapidly increasing number of working poor, and high rates of unemployment are well recognised symptoms of post-industrial economies, particularly in the Anglo-Saxon liberal regimes identified by Esping-Andersen (1990, 1999).

This dilemma highlights a twenty-year debate that has raged over the direction of the post-industrial world, the changing structure of the labour market and the skill demands of the work force. One side, led by Bell (1973) and Reich (1992), argues that the workforce is up-skilling. On the other side Braverman (1974) emphasizes the de-skilling effect of technology and the information age. OECD's *Lifelong Learning for All* (1996) and the Canadian Policy Research Network's *Training for the New Economy* (Betcherman et al, 1998) both promote the need for ongoing development of skills to meet the demands of the knowledge-based economy. On the other side, critics of neo-liberalism tend to focus on the de-skilling results of technology and globalisation. As time passes, it is becoming clear that, depending on which countries or groups of workers are studied, both sides are partially correct. The winners with highly-skilled well-paying jobs are going to be an increasingly small group while the unskilled, low-paying jobs remain for the majority (Krahn & Lowe, 1998; Esping-Andersen, 1999; Lowe, 2000; Crouch 1997; Livingstone, 1999; Ashton, 1996). The ever-growing problem is the inequality among those benefiting from the skilled, knowledge-based economy and those trapped in the unskilled economy.

Esping-Andersen argues that post-industrial countries are faced with "a choice between heightened pay and job inequalities, on one hand, or unemployment and exclusion, on the other hand" (1999, p.102). Anglo-Saxon countries tend to choose wage flexibility, declining trade unionism, and weak employee protection, a strategy that can lead to a "low-skill equilibrium." The absence of active public training programmes is compounded by a lack of employer incentives resulting from the availability of low-cost substitutable workers. (Esping-Andersen 1999, p.150).

II 4 Poverty and Welfare Reform in an Era of Neo-liberalism

Instead of protecting people from the market, as the welfare state did, neo-liberalism promotes ways to help people participate and succeed in the market through education, training, and other programs (Myles & Quadango, 2000). In many countries, including Canada and the United States, the move to tighten eligibility for welfare benefits and to institute active labour market reforms was intended to achieve this goal of labour market participation. As a result, labour market policy has taken on both a social and an economic role.

An integral part of neo-liberal social policy is the view that the causes of poverty can be found in personal characteristics. The poor are viewed as less able, less motivated, too aged or sick or handicapped. By inference they are thus assumed to be responsible for their own poverty. This is the "flawed character" (Schiller 1995, p.299) view of poverty. This view of poverty has its weaknesses, including the fact that not all the poor fit into these assigned categories of misfits. Married couples with children, or single parents, working year-long for low wages should not be included in the "flawed character" stereotype.

A broader view of poverty focuses on people and the labour market. For the most part, it is people's relations with the market that determine their economic and social status. From this perspective, the important questions include: what determines how many good earning opportunities are available; and what factors determine who will obtain these opportunities? (Schiller, 1995)

The neo-liberal view of poverty asks only the second question and assumes that there are always enough quality jobs. But the number of available jobs is something that individuals have very little control over, along with what type of jobs are available and where they will be located (Livingstone, 1996; Klein. 1996; Lafer, 2000). Labour market forces are primarily responsible for the extent of poverty, with demographic handicaps and discrimination of secondary importance (Schiller, 1995). Despite this alternate view of poverty, the rising number of working poor, cyclical unemployment, and the increasing disparity of incomes (Esping-Andersen, 1999; Klein, 1996; Myles & Quadango, 2000; Lafter, 2002), welfare reform and the resulting removal of people from traditional welfare assistance continues to take place in Anglo-Saxon regimes.

II.5 Education and Training - The New Keys to Success

Education and training have taken on increased importance in the neo-liberal regime. They are seen as a major lever for economic development, a key to gaining competitive dominance, a method of restructuring the welfare state, and the central method for returning to full employment (Ashton, 1996; Dunk et al, 1996; Crouch, 1997). The perceived importance of education and training is based on a fear that education levels are rising for skilled jobs and that, without the appropriate knowledge and skills, labour market participants will be unable to find jobs. On a broader level, technology is destroying low-skilled jobs and countries will not be able to compete internationally without a skilled labour force (Ashton, 1996; Crouch, 1997).

Crouch (1997) and Ashton (1996) agree that, although there is value in education and training in the current era of international competition, education and training alone are not sufficient for social and economic advance. Crouch raises concerns about the viability of relying only on a strategy of skill development. A minority of the working population is involved in producing internationally-traded goods and services. As world trade grows, the proportion of a high-productivity nation's work force engaged in internationally-traded activity declines. In most countries the biggest employer of highly-educated labour tends to be the health, education, and welfare sectors. These are mainly publicly owned and in most countries have been reduced in recent cost-cutting exercises. Not all new employment opportunities require high-skills. Because low-skill jobs tend to be easier to create in order to address the situation of the hard to employ, it is this type of job creation that appeals to a government wishing to create employment for unemployed workers.

In most countries, new secure jobs making use of advanced skills are not expanding fast enough to absorb those leaving low-skill, menial jobs. To reduce the resulting unemployment, strategies creating low-productivity, menial jobs run parallel to up-skilling strategies. Implementing both a low-skill and an up-skilling approach tends to produce opposing results that create winners and losers. Many succeed in gaining competitive, attractive employment while others remain unemployed or in poor-paying marginal jobs (Crouch, 1997).

In *Education, Training, and the Global Economy* Ashton (1996) provides an in-depth analysis of education and training in the global economy. He concludes that a system that promotes education and training is of value only in so far as competition is for high-value-added goods and services. High levels of education and training are not required for the production of low-value goods and service jobs. He challenges the belief that there is only one route to competing successfully in the global marketplace. The introduction of technology does not automatically increase skill requirements of the workforce. Many technologies have reduced or eliminated skilled workers and replaced them with low-skilled workers. Employers in Canada, the United Kingdom and the United States continue to choose the low-skill route since it is profitable to rely on cheap labour. The result is the increasingly polarised work forces in the UK, the USA, and Canada.

Although pursuit of a high level of skills through education and training is a collective goal for economic development and competitiveness, it is becoming increasingly the role of business to determine what skills are required and through what means these skills will be acquired. Businesses maximise their profits, not collective societal objectives. Although employers provide training to their employees, company decisions and market forces do not maximise the level of vocational ability for the whole society. There is no conclusive evidence that the jobs in all industrialised countries require high-skill employees (Crouch, 1997; Ashton, 1996).

Despite critiques of "more and more training" as an effective social and economic strategy (Lafer, 2002; Dunk et al, 1996), Anglo-Saxon regimes continue to promote education and training as a key policy direction. Promoting training can sometime be a political diversion that moves discussion away from poverty and unemployment (Lafer, 2002). Providing training allows governments to demonstrate "active" reforms while in fact displacing more traditional forms of income support. Training fulfils the neo-liberal principle of moving the responsibility for achieving labour market success from the market to the individual (Bienefeld, 1994).

Lack of formal education and training, by itself, is not a significant cause of poverty. Hence, programs to provide more education and training will not be particularly successful in reducing poverty (Ashton 1996). That most training occurs on-the-job and government supported training in institutional settings has not been successful indicates that it is important to get people into real job settings (Schiller 1995).

II.6 Citizenship in an Era of Neo-liberalism

The idea of citizenship promoted during the era of the welfare state is that subjects of a state should be sovereign, and hence equally represented and actively integrated in political life (Crouch et al, 2001). Since T.H. Marshal introduced the argument that citizenship gives social rights the same legitimacy as civil and political rights, there has been a tension in attempting to balance the role of the market, the state, and the family (Crouch et al, 2001). Esping-Andersen (1999) observes that strong social citizenship, one of the core elements of welfare capitalist states, has been weakened in post-industrial (neo-liberal) economies.

During the post-war years, the Anglo-Saxon regimes pushed aside their basic *laissez-faire* liberal principles of individual self-reliance in favour of a social democratic push for equality and equal rights. Despite this move, they never discarded their notion of "less eligibility" and "self help". As neo-liberalism gained prominence in the 1990s many Western countries, particularly the Anglo Saxon liberal countries, moved back to their traditional liberal view of an individual approach to welfare rather than seeing it as a common interest.

Neo-liberals are likely to suggest that rights are the capacity to take individual action to protect personal space, while social democrats and conservatives are likely to stress involvement by the wider community. Social rights continue to be given to individuals, for example compulsory education, which although received by an individual, benefits both the individual and the state. For neo-liberals, welfare policies are based on the idea that ensuring a minimum of personal well-being demands interference with the market by redistributing wealth in the form of public services. In this view, the individual approach tends to undermine citizenship because of a tendency to individualise social problems and treatment (Crouch et al, 2001; Procacci, 2001; Jensen & Phillips, 2001; Somers, 2001).

Judith Maxwell (2001) argues that following the Second World War a strong economy and support for welfare state values in Canada "created the strong sense across all income groups that citizens were all part of the same enterprise" (Maxwell, 2001, p.5). Citizenship defines what draws a body of citizens together into a coherent and organised community. At the same time, citizenship grants rights and demands responsibility, it provides access to work, education, technology and social protection (Jensen & Papillon, 2000). During this post-war period there was a synergy between economic and social policies, but the economic, fiscal and political realities of the last 25 years saw erosion of the values of common citizenship. "Core social values of compassion and investing in the future have been trumped by the demands of individual self-reliance" (Maxwell, 2000, p.1). Maxwell believes that Canada's policies of social protection need to adapt to the changing economic context and to reflect the Canadian balance between compassion and self-reliance. Procacci (2001) predicts the consequences of failing to develop this balance.

> Social citizenship had inspired a strategy to govern social rights, such as poverty, in a socialised way: that is by building up a system of social regulation. Such a system has now gone into a crisis, evidenced by the recent strengthening of individual approaches to welfare....In the end, the poor, no longer citizens, will be confined to their poor sectors of the human space: no policy will attempt to refill the gap between their poverty and the rest of society. The incapacity to recover a system of solidarity will affect all with a diminished citizenship less independent of the market value of each (Procacci, 2001, p.65).

II.7 Summary

This chapter has provided a brief overview of neo-liberalism and how it evolved to its current dominant position in the United Kingdom, the United States, and Canada. The welfare state which was replaced by neo-liberalism was reviewed as a point of contrast. The labour market, welfare reform, education and training, and citizenship are intertwining pieces of the realities of neo-liberalism that will be referenced throughout the remainder of this thesis.

Chapter III

Neo-liberalism in Canada Impacts the Deserving and the Undeserving Poor

Since the Reagan and Thatcher years, the ideal of a more equitable economy – one that spreads wealth more evenly throughout society – has lost its popularity.
We live in an age of economic Darwinism, where the survival of the financially fittest is the religion. - John Kettle, 1998

When the Canadian record on disability policy-making is reviewed a déjà vu discourse is clearly evident. - Michael Prince, University of Victoria, 2004

III Introduction

This chapter will move from the broad concepts discussed in the last chapter to examine, first, how Canada moved from a welfare capitalist state to embracing neo-liberalism, and second, how the position of people with disabilities evolved during this period.[2]

Traditionally, Canada's political ideology has been liberal with a value system in which government provides a framework of legislation through which individuals can pursue their private objectives. Liberalism is organised around individuality and liberty while Conservatism is built on collectivism and hierarchy. Both of these ideologies see the right of the individual to pursue their private objectives as paramount. In the1930's, a third political ideology emerged in the new Co-operative Commonwealth Federation (later the New Democratic Party). Like Conservatism it was collectivist, but it also believed in equal rights and focused on redistribution of wealth and addressing the needs of the poor.

In Canada, similar to other Anglo-Saxon welfare states, there is a basic conflict between the "work-based system" (the rights/privileges of entrepreneurs to retain their profits for reinvestment, personal spending or saving for the future) and the "need-based system" (the rights/privileges of those who rely on the taxation system to meet their subsistence needs). In trying to strike a balance between these conflicting needs, Canada slowly developed into a welfare state. But the Canadian welfare state was a bourgeois welfare state – a product of the middle classes being persuaded to accept the importance of sharing the country's wealth more evenly. It was also a market-oriented approach to welfare that gave as much priority to the generation of wealth as to social programs. State financial redistribution was expected not only to help the poor, but also to help the middle classes (Crichton & Jongbloed, 1998).

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[2] Although people with disabilities are part of and impacted by the changing political and economic environment, the disability community has also shaped and demanded changes that appear to be outside the neo-liberal mainstream. The thesis will continue to present these parallel positions.

Between 1935 and 1972, the Liberals, influenced by CCF-NDP thinking, shifted many of their positions from right-of-centre to left-of-centre and numerous welfare state programs and policies were introduced. After the depression there was more support for the development of social security programs. Key income security programs developed since the 1940s include (un)employment insurance (EI), pension schemes, and family allowance. The intent of these universal programs was to remove moral judgement when assessing needs, with a focus on family need. Employers and employees jointly finance EI and pension programs while family allowances are a non-contributory program and were universal in application. These universal programs were intended to provide rights that would either be purchased by the individual or by the employer or be legally conferred by the state. Such universal programs have been referred to as "institutional" programs, as opposed to "residual" or welfare programs which assume that clients are seeking privileges rather than rights and provide assistance to those with no other source of income (see Chapter I). In this system, the poor are seen as being poor through their own failings. They are the "undeserving" who do not want to work (Crichton & Jongbloed, 1998).

The successful development of the Canadian welfare state during the post-war years was the result of the surging productivity and economic growth experienced across the Western world during these years. The strength of the economy allowed governments to pay down debts and reduce the tax burden, while funding an array of new programs. In the mid 1970s the long period of economic growth came to an end and government spending began to outpace the growth in revenue (Maxwell, 2001). Another explanation of these changes is that the welfare state programs began to weaken when recession, debt, and economic restructuring broke the government, business, and labour consensus that held the social welfare state together (Crichton & Jongbloed, 1998).

III.1 Emergence of Neo-liberalism - Labour Market Policy and Welfare Reform

As discussed earlier (Chapter II), the period of the late 1980s and early 1990s was when neo-liberalism began to make in-roads in Canada. When the Liberal government was elected in 1993 its primary focus was debt reduction. Canadians experienced many changes in government policy throughout this period, but the focus of this thesis will be on how labour market policy became a key component of both social and economic policy agendas (McIntosh, 2000). Specifically, this thesis examines the impact on services delivered to marginalized groups in Alberta

Much of Canada's labour market policy was, and is, based on supply side initiatives, despite the fact that many economists believe that high unemployment can only be addressed with macroeconomic measures. During the 1980s and 1990s whenever a trade-off between full employment and inflation was required, employment goals were quickly abandoned. The decisions of the Bank of Canada forestalled any real prospect of creating jobs or eliminating poverty (McQuaig, 1998; Jeffery, 1999; Fortin, 1999).

The major policy shifts during this debt reduction phase was the expansion of active labour market policies (ALMP) designed to "improve access to the labour market and jobs, develop job related skills, and promote more efficient labour markets" (Haddow, 2000, p.29). In contrast, passive labour market policy (PLMP) provides employable persons with income while they are temporarily out of the labour market. Federal contributions to PLMP include EI and transfer payments to the provinces that help fund social assistance programs, administered by the provinces. ALMP are funded with provincial dollars, some federal dollars, and through funds from employers and employees paid into the Employment Insurance fund. Administration of these funds was transferred to the provinces under the Labour Market Development Agreements.

In 1993, when the Liberal government returned to power in Ottawa, Finance Minister Paul Martin made debt reduction a priority. The Federal Government's focus was on reducing expenditures on PLMP. This served to reduce the amount of income support available to Canadians. The Provinces, specifically Alberta, also adopted ALMP over PLMP.

In 1996, the Federal government passed the new Employment Insurance Act. This Act signalled the Federal government's intention to ensure assistance based on need. Eligibility requirements were tightened and resulted in a decrease in payments for those eligible for Employment Insurance. Large portions of EI funds were now directed toward the delivery of ALMP.

Alberta, ahead of the federal government, had in 1990 redesigned its welfare program with an emphasis on helping clients become self-sufficient and on the need for active intervention over passive assistance. The changes introduced in 1990 were made a reality when the budget cuts of 1993 took place. Reforms included the "deflection" of potential clients, new eligibility criteria that made it more difficult for some applicants to qualify, support rates that were less than minimum wage earnings, and a move to active supports that included job training and education (Roach, 1997).

A review of both the federal EI program and provincial welfare programs suggests that the recent cuts in these programs have opened a gap in the continuity between these two programs resulting in an increased number of Canadians with low incomes who do not have a hope of qualifying for either program. A growing number of people are adrift between these two programs (McIntosh, 2000; McIntosh & Boychuk, 2000; Haddow, 2000). In terms of social equity, "it seems fair to conclude that to some extent equality of access to income support during both short and longer periods of unemployment has been sacrificed in order to contain costs" (McIntosh & Boychuk, 2000, p.110). Despite the fact that Alberta caseloads remain relatively low, a core of Albertans cycle between low paying jobs and the welfare system / EI system, or are in a "no man's land" and are not eligible for either (Shillington, 1998; McIntosh & Boychuk, 2000).

Another cut in passive income supports occurred in 1995, when the Canada Health and Social Transfer (CHST) replaced the Canada Assistance Plan (CAP) and combined funds for social assistance and social services with those for health and post-secondary education into a single block transfer. The Canadian Council on Social Development (CCSD) has argued that this changed the social safety net and the role of the federal government in the social policy field. The new CHST removed key principles in the CAP including entitlement based on need, no forced work requirement, and the right to appeal. Eliminating the principle of entitlement opened the way for provinces to provide little or no assistance to those in need (CCSD, 1996). Cost sharing under CAP had reduced the incentive for both levels of government to move recipients from their own program to programs offered by the other. With the introduction of the CHST, funding of social services devolved from the federal government to the provinces. People ineligible for EI, a contributory program, now had to apply for residual social assistance. This resulted in a two-tier system in which those insured for EI or pension programs received entitlements they had paid into whereas those who were ineligible were forced to apply for social assistance based on less-eligibility rules (Crichton & Jongbloed, 1998). Under the CHST, provincial governments realise all the savings from moving people from the provincial welfare program to EI, and vice versa (McIntosh & Boychuk, 2000).

III.2 Education and Training – the New Keys to Success

> The idea of **employability** is characteristically neo-liberal. It means that neo-liberals see it as a moral duty of human beings, to arrange their lives to maximise their advantage on the labour market. Paying for plastic surgery to improve employability (almost entirely by women) is a typical neo-liberal phenomenon - one of those which would surprise Adam Smith. (Treanor, 2004)

Canada, like other industrialised countries, puts great faith in the belief that enough education and training will improve the skill level of workers and improve the country's ability to compete in the global economy (see Chapter II). Canada's federal structure raises jurisdictional issues concerning the delivery of education and training. The federal government has traditionally played a role in providing labour market development training. Federal training focused on programs to assist the unemployed to get work skills in order to return to the workplace. In 1997, the signing of Labour Market Development Agreements with all provinces except Ontario transferred responsibility for labour market training to the provincial governments. This change, combined with their traditional role in delivering basic education, gives the provinces primary responsibility for education and training. Despite this, the landscape remains murky as the federal government continues to deliver some labour market services through what are termed "pan-Canadian" services, youth initiatives, and some programs for people with disabilities.

Both provincially and federally, it is assumed that employers are the experts in knowing what skills will be required in a competitive economy and that they should provide the training to upgrade and maintain skills required for ongoing productivity in the workplace. Employers, however, do not always provide the required training (Swift & Peerla, 1996; Ashton, 1996). There is also a growing network of training institutions developing training programs that they believe will meet the skill requirements of individuals and businesses. The Federal government is taking an increasingly hands-off role, choosing to act as facilitator and regulator while these two for-profit sectors (employers and training institutions) identify the skills required (Betcherman et al, 1998).

It is interesting that the Canadian model confirms Ashton's (1996) theory of a low skills route country (see Chapter II). Canada has never had a comprehensive labour market development strategy that involved education and training institutions, government and employers. Although educational institutions consult with business, they develop training programs independently. Business seldom responds favourably to government direction relating to labour market policy that infringes on their assumed area of expertise. Thus, the Canadian government can influence labour market development and the education and training systems only indirectly (Ashton, 1996; Betcherman et al, 1998).

Alberta also has a "hands off" policy relating to labour market development. Although efforts are made to coordinate activity, government, employers, educational institutions, and individuals appear to act independently and work together only indirectly. The Alberta government is "not in the business of being in business," but it does try to create a favourable climate to attract business that will be able to compete globally and locally. A key element of this favourable climate is a skilled workforce, and Alberta supports basic and post-secondary education to provide the basic skills for workers. The education and training system is autonomous, within government guidelines and regulations, and individuals are responsible for their own learning needs based on information they receive through multiple sources.

In some areas, Alberta does play a more direct role in adult education and training. For eligible clients, Alberta Human Resources and Employment provides income support, books and tuition for a variety of training programs. During the 1990s this training was focused on academic upgrading, basic education, and English as a second language. During this time, skill training with assistance provided through the student loan program was seen as an individual responsibility. In 1998, with the signing of the Labour Market Development Agreement, short-term skill training for EI eligible clients was added to the array of training available in Alberta. Pressure to address the rising number of low-income workers and evidence that the emphasis on academic upgrading and basic education did not have the expected outcome of sustainable employment (Shillington, 1998) resulted in the development of a new array of programs eligible for government assistance. A new Skill Investment Strategy is currently under development, but it will be addressed only indirectly in this thesis.

Although government may play a "hands off" role in identifying the skill needs required by the market and in developing the actual training programs, ALMP was used to move Alberta welfare recipients into the labour market. Social assistance eligibility for those deemed capable of working demanded that applicants enter a training program, usually less than four weeks, or upgrade their academic skills for up to two years (Shedd, 1997). Albertans receiving government assistance are encouraged to take education and training or employment training programs, but the problems identified in the previous chapter regarding ability of education and training to solve labour market problems of unemployment and high numbers of working poor also pertain to Alberta. Even so, there is a belief that in Alberta's vibrant economy people should be able to find a job or, if necessary, take responsibility for their learning and improve their skills. It is assumed that sufficient jobs are available. Therefore, if the unemployed had the "right" education and training, they would be able to find suitable employment (Klein, 1996).

The "training trap" starts with the neo-liberal assumption that social assistance and employment insurance recipients choose to stay on assistance until the cost of not working is too high. Making assistance less attractive or coercing people into labour force participation are seen as tactics to alter the cost-benefit equation and to reduce the numbers on social assistance (Dunk et al, 1996). This line of reasoning ignores the increasing insecurity of the labour force and the increase in non-standard work arrangements (Krahn & Lowe, 1993; Maxwell, 2001). Dunk et al (1996) argue that training provides an ideological cover for the move from full-employment in the Keynsian era welfare state to the new low-wage economy where "bad" jobs outnumber the "good" jobs. Individuals are blamed rather than the system, which is no longer providing enough good jobs, while people go from training program to training program and cheap labour is taken as needed by employers. This training system serves neo-liberal government in its goal of reducing deficits and controlling expenditures and employers who can maintain their low skill employee base. The obligations of citizenship and a new form of dependency displace the concept of social security as a right of citizenship for the most vulnerable in society. Survival depends on participation in training followed by insecure, low-paid employment followed by further retraining (Dunk et al, 1996; Crouch et al, 2001). The neo-liberal goal of individual responsibility is also maintained. Current policy can be seen as a discipline tool to achieve public-sector fiscal restraint and growing labour market flexibility. If current policy continues there will be a decline in the core labour force and a growing cohort of contingent workers experiencing periods of under- and unemployment (Shields, 1996). This forecast is made despite the fact that Canadians, including Albertans, have one of the highest education levels in the western world (Livingston, 1996; Livingstone, 1999 Lowe, 2000).

III.3 People with Disabilities in Neo-liberal Canada

Historically, people with disabilities have been reflected in the welfare state and neo-liberal paradigms as the "deserving poor," a group unable to contribute to the economic system and in need of ongoing income support. Who is deserving of some form of assistance has varied over time, but those identified as "disabled" were seen as eligible for some form of assistance (Crichton & Jongbloed, 1998). Despite general acceptance of the notion that people with disabilities were entitled to state assistance, Canadian disability policy has evolved as an ever expanding set of programs rather than a coordinated strategy (Crichton & Jongbloed, 1998; Prince, 2004). There have, however, been persistent voices within the disabled community advocating for people with disabilities. This advocacy has seen people with disabilities move through several phases:

- Being institutionalised or “warehoused” where they were taken care of;
- Recognized as being able to contribute to society if they rehabilitated or adapted themselves to society;
- The “‘open house” vision of today where society adapts the social and physical environment (HRDC, 1999).

Reflecting this history of changing beliefs about people with disabilities, in 1998, the Ministers responsible for social services released a Federal/Provincial/Territorial policy document titled *In Unison: A Canadian Approach to Disability Issues* which built on a number of documents that had been written over the previous twenty years.[3] *In Unison* is a vision paper developed as response to the First Ministers’ request to make disability issues a “collective priority in the pursuit of social policy renewal” (HRDC, 1999, p.5). This vision sees people with disabilities as having the same rights and benefits as other Canadians and participating in all aspects of life including school, work and recreation. Participation is made possible by removing social, economic, and physical barriers and providing supports that will enable the desired full participation.

Figure 1: A Snapshot of the new approach of governments outlined in *In Unison*

Old Concepts	***New Approach***
✓ Recipients ✓ Passive income support ✓ Dependence ✓ Government responsibility ✓ Label as “unemployable” ✓ Disincentives to leave income supports ✓ Inadequate employment supports	✓ Participants ✓ Active measures to promote employment ✓ Independence ✓ Shared Responsibility ✓ Identification of Work skills ✓ Incentives to seek employment

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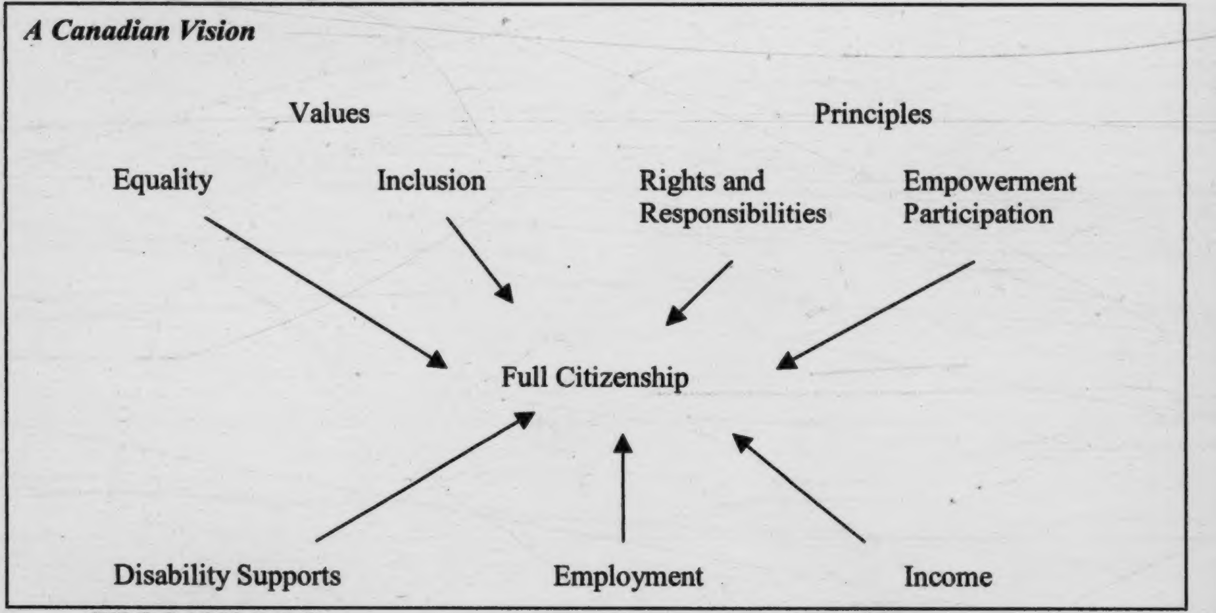
[3] These reports included: Obstacles Report (1981), Charter of Rights and Freedoms (1983), Report of the Royal Commission on Equality of Employment (1984), Equality for all (1985), Multilateral Framework on Employability Assistance for People with *Disabilities* (1998), *Equality for All* (1995), *A Consensus for Action: The Economic Integration of Disabled People* (1990*), The Grand Design: Achieving the Open House Visions* (1995), and *Equal Citizenship for Canadians with Disabilities The Will to Act* (1996)..

✓ Program-centered approach ✓ Insufficient portability of benefits and services that are not portable ✓ Multiple access requirements	✓ Opportunities to develop skills and experience ✓ Persons-centered approach ✓ Portable benefits and services ✓ Integrated access requirements.

(HRDC 1999, p.7)

The *In Unison* document also includes the following vision.

Figure 2: Vision of *In Unison*



(HRDC 1998, p.14)

III.4.a Critique of Disability Policy

The current policy direction for people with disabilities is built on the "open house" concept and reflects years of consultation with people with disabilities and their advocates. If implemented, it would demonstrate "a will to act" (Heslop, 2000, p.11). However, the introduction of a new paradigm does not mean that the old paradigms are replaced. Michael Prince (1992 in Heslop, 2000) comments that during the time of the

Mulroney government there were many progressive reforms. However, the resources were never put in place to carry them out. Prince (2004) argues that Canadian disability policy continues to be a hit and miss affair and that "….the political will to act by federal and provincial governments, while evident at times through the 1980s and 1990s, has, for the most part, been haphazard" (Prince 2004, p.77).

Three factors impact the reality of full inclusion for people with disabilities in Alberta. First, the expectation of full-time employment and independence remains the key objective across government for those seen as able to work. Second, the Alberta Assured Income for the Severely Handicapped (AISH) program provides income support, but no additional social or economic supports, and there is no expectation that AISH recipients will become independent. Finally, AHRE employment and training programs are not intentionally inclusive and often exclude people with disabilities. Disability Related Employment Supports (DRES) continues to focus primarily on full-time schooling or work and there is often a reluctance to assist AISH recipients with DRES assistance as these people are seen as unemployable. The "warehouse" or residual approach appears to continue to have a stronghold in Alberta. Although independence through paid work remains a priority for the able-bodied, supports for people with disabilities to achieve this goal remain more rhetoric than action (Heslop, 2000). Alberta signed and supports *In Unison* in theory, but when progress toward meeting the goal of full citizenship is assessed, people with disabilities continue to face the "warehouse" system. The disabled are offered income assistance if they are unable to work, or they are expected to meet the demands of the labour market with little recognition of the barriers they face.

III.5 Summary

In the 1990s Canada and Alberta moved away from welfare capitalist policies where social programs were important to well-being but subservient to economics, and returned to a residual approach based on a charity model that reflects a belief that social programs destroy individual initiative. Within the neo-liberal model social assistance should be provided as a last resort (Warf & McKenzie, 1998). At the same time, policy for people with disabilities has been moving toward an inclusive approach with the goal of full citizenship. People with disabilities are caught between neo-liberal financial constraints and the requirement to demonstrate that they are unable to work in order to receive assistance, and the push to reach full citizenship and independence. Although people with disabilities face conflicting paradigms, other social assistance clients are clearly seen as the "undeserving" poor. They are expected to work, since work is seen as a basic value in Canadian society

Chapter IV

How does Neo-liberalism in Alberta Impact the Poor?

A good job is hard to find - Graham Lowe, 2000

Training without job opportunities for those trained is a con game. ..Manpower reform that does not include job creation is not manpower reform at all. It serves no real purpose other than to fool the public and frustrate the unemployed. - AFL-CIO spokesperson Kenneth Young quoted in Gordon Lafer, The Job Training Charade, 2002.

Disability is a personal experience and a public issue of great significance in Canada. – Michael Prince, University of Victoria, 2004

IV Introduction

When the Klein Government was elected in Alberta in 1993, it faced a large deficit, the end of a recession, and public anger over the failure of government-backed projects such as NovaTel.[4] The new government moved quickly to embrace neo-liberal principles and to leave behind the welfare state that had been established in the post-war years (Lisac, 1995; Harrison & Laxer, 1995; McQuaig , 1998; Jeffrey, 1999). Most Albertans, tired of government deficits and what appeared to be failed government forays into business, appeared willing and ready for these changes.

Alberta is a traditionally populist, conservative province, the birthplace of the Progressive, Social Credit, and Reform parties. It is a province where citizens tend to mistrust politicians, and politicians strive to be seen as "anti-politicians" supporting Western alienation and individual responsibility. In Alberta, the "rural" values of hard work, self-reliance and self-discipline were recreated in the urban ideal of the "self made man" (Jeffrey, 1999).

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[4] The NovaTel fiasco grew out of the Lougheed government's desire for economic diversification. Nova and Alberta Government Telephones (AGT) saw a future in cellular phones and formed NovaTel Communications. Nova sold its shares in 1988. When the provincial government sold AGT in 1990, NovaT~~At~~el was part not of the deal. The government held the company until 1992 when Albertans learned that it has lost $556 million. Neither the Cabinet nor the NovaTel Board recognized the risks that NovaT~~At~~el was taking and neither took actions to limit the risks (Lisac 1995).

This chapter will review how neo-liberal principles have been introduced and entrenched in Alberta over the past ten years, through high level Government policy and in Annual Reports and Business Plans. In the 1993 Throne Speech, the Klein government presented "four commitments" to Alberta voters:

1. The government would balance the budget within four years and take steps to ensure that the government would live within its means.
2. The government would create an environment in which 110,000 jobs would be created within four years.
3. Government would be re-organised, deregulated, and streamlined in order to become frugal and creative.
4. The Government would listen and consult often with the people of Alberta (Jeffrey 1999, p. 113).

Government plans for change specifically targeted welfare clients, whose eligibility would be restricted and who would be "offered" an opportunity to improve their earning power through education and training. People with disabilities, a second disadvantaged group, were not specifically targeted and were, in fact, seen as requiring additional supports to achieve participation in the labour market. But after they received such supports, they were expected to be able to compete in the mainstream labour market. Both these disadvantaged groups were expected to benefit from the "Alberta advantage" through access to education and training and via some additional supports when necessary.

IV.1 Consultation and Round Table Forums – Creating a "Consensus"

The fourth promise, to consult with Albertans was, in fact, one of the first commitments acted upon. Consultation became an integral part of the success of the Klein Revolution. The expanded use of "round table" forums created what one author has called the "mythic voice of Albertans" (Lisac, 1995).

Although the Klein government has consistently used "round tables" and consultations to "listen to Albertans" this tactic was not entirely new. In 1991, the Don Getty government launched *Toward 2000 Together (T2T)*. It was

> …a huge exercise in bringing together the people of Alberta to write a new economic policy for the province. It took months. It gathered ideas from thousands of people. It included public meetings with a broad invitation list, and private meetings for leadership elite." (Taylor, 2001, p.58-59)

At these "round tables," participants tended to include representatives from business, professions, unions, and post-secondary institutions, but marginalized groups such as women, immigrants, the disabled, aboriginal groups and the poor were not represented. The report from the T2T summit was seen by critics on the political left to be creating

> …an illusion… the myth of a classless society…The only people who counted were "real" Albertans. The division between them and others who did not count was the line separating "good" Albertans from the lazy, from the bad and from the pursuers of special interest" (Lisac, 1995, p.55-56)

This type of forum became the prototype for a variety of public discussions used by the Klein government to develop policy based on "what Albertans are saying". Government members established the invitation lists and the agenda. People typically worked in small groups and had no knowledge of other participants' contributions. No votes were taken and individual responses would come to represent the session. Round tables did not debate issues and many ideas, noted on flip charts, were subsequently used to demonstrate what "Albertans told us" (Alberta 1994, ii) and to support the introduction of government policy (Lisac, 1995. p.144-145).

The results of the 1992 T2T were written by a committee of 35 people that shrank to 34 when Margaret Duncan, the executive director of the Alberta Association of Social Workers, resigned saying that "the report formalised and legitimised a business-dominated province where the poor and damaged are expected to be quiet and go away" (Lisac, 1995, p.55). The assumption that economic growth is a precondition for achieving social goals was reinforced by T2T. A discussion paper, released by Premier Getty to introduce T2T stated: "A strong economy will provide Alberta with the financial resources to take action in areas considered important and to fund the programs and services that will enhance our quality of life" (Taylor, 2001, p.61). He also stated that "…since the private sector is seen as the engine of economic growth, a key role for government is to develop an infrastructure that is conducive to business. The role of government in capital accumulation is thus underscored and issues around social equity are subordinated" (p.61).

Lisac (1995) argues that although the provincial government used community forums and round tables effectively to give the impression that Government was listening to and speaking for the silent majority, it actually used this process to implement a government and business agenda.

> Ideas suddenly seemed important to Albertans. The views of unelected people suddenly seemed to count. Cooperation and consensus seemed to be possible. It did not take long for the image to fray….The department coordinating the gathering of ideas was already writing policy. It had apparently started sometime in late 1991, before the first public meeting for Toward 2000 Together were held. No one knew that until a leaked copy of the draft manufacturing strategy reached New Democratic members of the legislature that spring (Lisac, 1995, p.49).

The policy review process reinforces Lisac's comments that it was the push to eliminate the deficit that provided the opportunity to move decisively in a predetermined ideological direction. Budget 1993, the initial unfolding of the "Klein Revolution," and further cuts in Budget 1994 were actually foreshadowed by the introduction of the Supports for Independence program in the 1990/91 fiscal year. The emphasis on cutting welfare budgets after 1993 appear to build on a predetermined agenda. Public willingness in 1993 to face drastic cuts in programs and services provided the government the opportunity to move to implement the desired dramatic social policy changes. Taras and Tupper (1994) effectively capture the Government's intent in the comment that the Klein government "used its crusade against the deficit…(to initiate) a program of social engineering, the reordering of societal institutions and priorities to fit a particular ideological mould that is virtually without precedent in recent Canadian history" (p.71).

These comments illustrate the belief expressed by many critics of neo-liberal Alberta that the "Alberta Advantage" is designed and continues to support a few while many struggle in a land of plenty (Hurtig, 1999; Ghitter, 2000; Jeffrey, 1999). Harrison and Laxer (1995) argue that the Klein government attacks those providing social services – the teachers, nurses, civil servants and anyone else who works in the public sector. "For Klein, these are the parasites that live off the hard-working folk, the tax payers in the private sector. Even worse are the recipients of social services, regularly admonished to be self-reliant and self-disciplined" (p.2).

The late 1990s were prosperous in Alberta. The deficit had been eliminated and the government was committed to eliminating the debt by 2005. The majority of Albertans appeared willing to accept the cuts to social services and attacks on "special interests," if the deficit was brought under control and taxes were not raised.

IV.2. Neo-liberalism in Alberta and Policy Documents

IV.2.a A Better Way: A Plan for Steering Alberta's Future (February 1994)

Following the directions laid out in the 1993 Throne speech, two policy documents, *A Financial Plan for Alberta: Budget'93* (Alberta Treasury, 1993) and *A Better Way: a Plan for Securing Alberta's Future (1994),* outlined how the commitments in the Throne Speech would be implemented. Alberta moved quickly. *A Financial Plan for Alberta: Budget '93* set out the initial plan to balance the budget in four years and provided a general overview of proposed changes. It emphasised economic reasons why change was needed.

> The province is spending more than it can afford, has done so every year for the last eight years, and the rate of overspending is increasing...Albertans want balanced budgets. There may not be agreement now on the exact route to be taken, but there is agreement on the final destination. The government will enact legislation to ensure we reach our goal – a balanced budget by 1996-97 (pp.8-9).

The fiscal plan set clear priorities that included keeping the economy growing and creating jobs for Albertans, and emphasized the need to manage limited resources and growing expectations and the need for innovation in the education field.

A Better Way built on the vision identified in *Budget '93* with a government business plan that stated:

> For the first time in Alberta's history, this government is setting out comprehensive and detailed plans for the future – three-year business plans for all government and for every department and agency that is a part of government's operations. (p.2)

A Better Way (1994) introduced the first government business plans and outlined the results of a review of all government programs and services to identify what activities the government should be involved in, and how the government could achieve better results and spend less money. Five core government activities were identified:

- Invest in people and ideas;
- Build a strong, sustainable and prosperous province;
- Provide essential service for the health and well-being of Albertans;
- Maintain a quality system of roads and highways, telecommunications, and utilities; and
- Provide law, order, and good government (Alberta ,1994, p.2).

Several themes found in subsequent business plans and policy papers first appeared in *A Better Way.* They included:

> [to] provide adults with access to high quality post-secondary opportunities so they can take responsibility, participate in a changing economy and workforce and enrich the quality of life in their communities and ensure that Alberta has a well-educated, productive and talented workforce." (p.2)

A Better Way focused on investing in people, including improving their education and training in order for them to take their place in the labour market. It enshrined principles of individual responsibility, being willing to "take the hand up" offered by government, and viewing welfare as a temporary support until independence could be achieved. Neo-liberalism is reflected in the Alberta government's "hands off" approach to education where institutions develop programs and students make individual choices of study and then both are responsible for the expected outcome, namely, employment. By 1995/96 training and education providers were expected to report their performance to students and employers so that informed education and labour market choices could be made based on relevant and accurate information (Alberta, 1994).

IV.2.b The Klein Government at Two: Staying the Course (1995)

The Klein Government at Two: Staying the Course provides an "an unparalleled substantive guide to the policy in which business decisions must be made" (GPC, 1995, p.1). This publication chronicles the twenty-four months following the Klein government's election in 1993, including an overview of the legislative and fiscal reforms that Klein championed during that time (GPC, 1995), and provides a clear statement of Alberta's neo-liberal philosophy in 1995:

- Low taxes - retain Alberta's position as a preferred tax jurisdiction.
- Modern Infrastructure - Alberta will continue to attract business with its modern infrastructure but will not provide financial incentives; the Premier will have to market the province on its face value,
- Alberta workforce – the government targeted 110,000 new jobs by 1997 by creating a climate conducive to wealth creation and job creation. Consultation with citizens, business, and educational institutions identified a number of tactics including private sector participation in design and delivery of programs, income sensitive loan repayment, increased funding for innovative programs, and funding dependent on employment on graduation.
- In addition to welfare reforms introduced in March 1993, employment and training initiatives were introduced in July 1993 and welfare benefits were restructured making welfare a program of last resort. Since reforms were announced, over 42,000 (45%) have been removed from welfare rolls, a savings of $200 million in 93/94.
- Privatization – Many services performed by government can be performed more efficiently by the private sector. Alberta Registry Services and the Alberta Liquor Control Board were privatised and other additional privatisation was planned.
(GPC, 1995).

The *Klein Government at Two* also described how "the Klein government's reform program has rested on some fundamental neo-conservative principles" (GPC, 1995, p.24). It outlined what the government had done to date and where it was headed. Looking back it appears that the government indeed "stayed the course" and was firmly entrenched in neo-liberal philosophy.

IV.2.c. New Directions for Adult Learning in Alberta (1994)

New Directions for Adult Learning in Alberta (AECD, 1994) was developed after consultation with 7,000 Albertans who provided their views through round table discussions, public meetings, and written submissions. It is a policy framework with the goal of improving Alberta's post-secondary education system by providing high quality learning opportunities to Albertans.

New Directions outlines a vision for the future of adult learning in Alberta:

> Albertans are recognised globally for the excellence of their knowledge, skills, attitudes, and experience that enable them:

> - To take responsibility for shaping their future
> - To participate in a changing economy and work force,
> - To create new knowledge, and
> - To enrich the quality of life in their communities.(p.6)

The Neo-liberal theme of individual responsibility is particularly strong in *New Directions*. Albertans are encouraged to take responsibility for the future, and

> …self-sufficiency and reduced dependence on social support programs are high priorities, federally and provincially. Opportunities to learn are critical to successful social policy reform…individual Albertans are responsible for making informed choices in order to take full advantage of opportunities to learn throughout their lives. (AECD, 1994, pp.5-6)

New Directions addresses not only individuals, but education and training providers as well. All four of the goals in New Directions were intended to impact the providers.

> Four goals were confirmed by Albertans as necessary to realize Alberta's vision for the future of adults' learning
>
> - Accessibility - The system will increase access to motivated Albertans to a diverse range of quality learning opportunities.
> - Responsiveness – The system will increase its responsiveness for the needs of the individual learner and to the social, economic, and cultural needs of the province.
> - Affordability – The system will provide quality learning opportunities to the greatest number of Albertans at the lowest possible cost.
> - Accountability – The system will increase its accountability to Albertans for the results of publicly funded learning opportunities. (AECD, 1994, p.7)

The directions expressed in both *A Better Way* (1994) and *New Directions (1994)* reflect the demand for positive outcomes and accountability for Government spending. *New Directions* demonstrates a focus on strategies demanding that public funds are well spent and that service providers demonstrate outcomes. This emphasis is clear in *A Better Way* which states "the post-secondary system focuses on quality, responds to the needs of students, fosters individual responsibility, and is more accountable for outcomes. Priority is placed on labour market demand". (p.5)

To meet the goals identified in *A Better Way,* expected results for post-secondary education and measures of performance were to be developed. Despite this objective, education providers tend to deliver "learning" rather than "employment" and, based on the continuing numbers of long-tem unemployed in Alberta, the accountability results expected in *New Directions* were not as successful as anticipated.

Denis (1995) describes the Klein government as having two targets and two messages. The targets are the population in general and "deviants" who are set up as an example for good Albertans not to follow. The first message aims to replace the welfare state with a business culture. Part of this culture is to have educational institutions train people with marketable skills. The second message is that Albertans have been irresponsible both collectively and individually and they now must become responsible. As part of this message, the government claimed to be creating social services that would "help people help themselves" (Edmonton Journal quoted in Denis, 1995, p.95).

These messages have been received not only by the Alberta public but by government staff as well. Alberta Advanced Education and Career Development (AECD) staff members were responsible for providing career counselling and job search and labour market information, as well as providing grants and loans for further education. Alberta Family and Social Services (AFSS) staff members were responsible for providing welfare assistance to those in need and to assist them to help themselves and become more independent. In 1999, these two departments came together and today Alberta Human Resources and Employment (AHRE) is the "people and workplace" department. There is no welfare or social service department. Rather there are People Investment and Skill Investment Divisions in the "people and workplace" department.

Today, AHRE is once again attempting to introduce an accountability framework based on outcomes that will prescribe the number of learners and the budgets each provider receives. There are, however, a limited number of learning institutions in Alberta, and the government desire to offer education and training to people in the welfare system is not always in line with demands of these powerful institutions. As a result, there is an ongoing tension between these two bureaucracies as they strive to establish and maintain their priorities.

IV.2.d . People and Prosperity (1997)

People and Prosperity was the next step taken by the provincial government after *A Better Way (1994)* identified the business that government should be in and *New Directions (1994)* established a new direction for adult education. *People and Prosperity* clarified Alberta's supply side economic model.

> *People and Prosperity* deals with helping Albertans to reach their potential in the economy through human resources development. It identifies a vision for human resource development in the province and outlines goals and actions that will help Albertans to take advantage of economic opportunities and contribute to and share in Alberta's prosperity (Alberta, 1997, p.1).

People and Prosperity states that human resources are the cornerstone of the economy. It promotes the concept that the development of people is central to ongoing competitiveness and the vitality of the economy and community. These ideas resonated with participants consulted at the 1997 Growth Summit, who stated that people development must be the province's first priority. Alberta has adopted the human resource model of economic growth that has become popular in the rest of Canada. From this perspective, people's talents and skills are seen as their number one asset (Reich, 1992). Lowe (2000) argues that the people focus is stronger in rhetoric than in practice, and that Alberta fails to put people first, particularly in the workplace where worker's talents are not effectively used.

IV.2.e. Prepared for Growth: Building Alberta's Labour Supply (2001)

In October 2001, the government released *Prepared for Growth* which reviews current labour force trends and discusses how Alberta can meet expected skill shortages in the future. Non-traditional labour pools, including people with disabilities, aboriginals, and immigrants, are identified as groups of potential employees who could ease the shortage of skilled workers. Once again the government's current initiatives, while identifying the needs of specific groups, frame them in the context of the market economy. Neo-liberal rhetoric in this document emphasizes including all Albertans in the

Alberta Advantage, but in reality shows that these groups continue to be excluded from economic prosperity.

> Alberta needs an adequate supply of workers with the right mix of knowledge and skills. Are we maximizing the skills, talents and knowledge of our existing labour force? Do we, and will we in the future, have enough trades people, health professionals, teachers, researchers and other educated and skilled workers to meet the demands of growing industries and an expanding population?
> Government plays a key role in supporting labour force development, by providing sound fiscal policy, supporting education and training, and creating the conditions that lead to a high quality of life. But it cannot meet the labour force challenge alone. Industry is a critical partner, in the areas of training, recruitment, compensation and benefits, and the building of safe and attractive work environments…
>
> The Government of Alberta, as part of its commitment to continued growth and prosperity, recognizes that Alberta's labour market must be competitive in the global market. We must enhance the ability of all Albertans to participate in the labour force, maintain this province as an attractive place to live and work, and reduce barriers to employment and the movement of workers. The strategies in this paper address those needs, to ensure that Alberta is prepared for growth, now and in the future (AHRE, 2001, p.1).

This overview outlines the policy direction set by the Alberta government after 1993 and publicized through policy documents and public statements. These policy directions were framed within existing legislation and programs.[5] The Social Development Act, the Department of Family and Social Services Act, and the Government Services Act are the legislative vehicles used in the delivery of welfare benefits, and grants to students are handled under the Skills Development Program. Significant changes in the delivery of welfare benefits and grants for academic upgrading were implemented between 1990 and 1992, and significant cuts were made in 1993.[6] These changes will be analysed in the next section through an examination of annual reports and business plans from Alberta Family and Social Services and Advanced Education and Career Development.

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[5] This thesis will not analyse the legislation currently in place except to note that no significant legislative changes were made during the 1990s

[6] With the introduction of the Supports for Independence (SFI) program in November 1990, Alberta Family and Social Services (AFSS) began moving toward a re-definition of welfare. During 1992/93, further steps were taken to structure benefits to improve equity between clients, improve efficiency, and recognise the ability of the large majority of clients to manage their own affairs. Planning continued throughout the year for major reforms which were implemented beginning in April 1993 (AFSS, 1993).

IV.3 Business Plans

Business plans were intended to move Alberta toward "a better way to get the most value for taxpayer's dollars, a better way to provide high quality essential programs at a cost we can afford " (Alberta Government, 1994, p ii). According to Oakes, Townley, and Cooper (1998) business plans have traditionally been seen as ways to implement direct control through established plans and are seen as good management practice. As such, business plans are seen as neutral ways to encourage staff to conform to organizational expectations. Oakes et al. (1998) reviewed the business planning process in the Cultural Facilities and Historical Resources Division of the Department of Alberta Community Development. They described how language and power are central to understanding control in government and showed that the business planning process served to name and legitimate existing practices while excluding other knowledge and practices. Mangers felt compelled to participate in the business planning process and to focus on the categories in the plan. They spent considerable time meeting with staff to create and revise the business plans, leaving less time for other activities. All managers agreed that time spent on business planning activities changed the way the branch operated (Oakes et al, 1998, p.285).

AHRE Business planning has evolved in a similar fashion, and there is now a branch whose main responsibility is to develop the departmental business plan. Business planning is a cascading process. Department business plans reflect the government plan. Assistant deputy ministers and their managers spend considerable time evaluating the past business plans, reviewing the current business plan, and developing the new plan. Front line staff members have less direct involvement in the development of business plans although each branch and unit develops a plan that supports the goals of the departmental plan. Individual work plans are intended to reflect the unit plan and each staff member is encouraged to see their role reflected in the business plan. Clearly, the business planning process exerts considerable control over government staff and is one way in which the government introduces, maintains, and controls its neo-liberal messages.

IV.4 Changing Organisational Culture of AFSS and AECD

Beginning in 1990 and escalating through the decade, employment for those deemed employable and assistance for those in need and deemed unable to work became the emphasis in AFSS annual reports and business plans. In the 1993/94 Annual Report, the Supports for Independence (SFI) program became a transitional support program for clients until they could become independent in the labour market. Welfare Reform, the initiative started in the early days of the Klein government, was designed to reduce welfare caseloads and to promote individual responsibility to seek independence as quickly as possible. Alberta introduced a two-stage welfare reform strategy designed to lower welfare rates by moving people into the labour force or into education or training programs (Shillington, 1998; Boessenkook, 1997; Roach, 1997). Making welfare a program of last resort, providing active assistance before authorising welfare, and bringing benefit levels in line with low-income wages appears to have contributed to a nearly 50% decline in Alberta's welfare caseload (Boessenkook, 1997).

AECD moved from a department focused on assisting Albertans to expand and develop their careers to involvement in academic upgrading under the Skills Development Program for all Albertans and social assistance recipients, and finally to assisting individuals receiving Employment Insurance (EI) and Supports for Independence (SFI) funding, and other Albertans to find employment.

IV.5 Advanced Education and Career Development 1992/93 and 1993/94 annual reports

In December 1992, Alberta Advanced Education and Alberta Career Development and Employment merged to become AECD with the goal of linking education and training to economic goals by contributing to a skilled workforce. The government felt that:

> … the two former departments had played different but complementary roles in helping adult Albertans meet their learning needs and the merger

> served to amalgamate and build on the strengths of both. The merger also provided a greater ability to link our education and training efforts to the province's economic goals by contributing to the development of a skilled work force. By working together in one department, we are better able to serve Albertans in the area of adult learning and career development (AECD, 1993, p.4).

From June 1992 to March 1994, AECD began a move to restructure the adult learning system and developed the first departmental business plan. In June 1992, the department began a strategic planning process for the future of Alberta's learning system for adults. The consultation project used a draft mission statement to guide the activities.

> Albertans are committed to promoting lifelong learning opportunities of excellence. These opportunities should be:
>
> - accessible to Albertans;
> - affordable to learners, employers and tax payers;
> - responsive to the economic, social and cultural needs of the people of the province; and
> - offered by providers who are accountable for the outcomes. (AECD, 1993, p.5).

The 1993/94 Annual Report identifies two initiatives, consultations to review adult learning policy and the production of the first three year business plan (AECD, 1994). The completion of the strategic planning process for the future of adult education resulted in the release of *New Directions for Adult Learning in Alberta* in October 1994. The similarity of the goals developed for the draft strategic planning process and the goals in the final *New Directions* (see p. 40) provides evidence that in this case government directions were set and then confirmed by public consultation.

The first AECD 1993/94 Business plan included the following statements concerning the role of this department:

> Mission Statement
>
> The mission of Advanced Education and Career Development is to facilitate access throughout life to high quality learning and development opportunities that give adult Albertans the knowledge, skills and attitudes they need
>
> - To take responsibility for shaping their future,
> - To participate in a changing economy and workforce, and
> - To enrich the quality of life in their communities.

> We will lead, and we will collaborate with other partners in facilitating new directions for adult learning in Alberta that ensure an accessible, responsive and affordable system of adult learning.
>
> Departmental Mandate
> Advanced Education and Career Development is responsible for the development of policies, programs, and services to assist adult Albertans to fulfil their learning needs toward becoming productive and self-sufficient members of Alberta society. (Alberta, 1994, p.3)

During welfare reform, AECD worked with AFSS on strategies aimed at making welfare clients more productive and self-sufficient. Moving educational support for welfare clients to the Student Finance Board resulted in significant savings to the welfare caseload. During the 1990s, AECD moved gradually to focus on active assistance for the unemployed, who were increasingly welfare clients, and less on assisting all Albertans in their career search, until today when AHRE's mission is "To provide a continuum of services and information that enables individuals to succeed in the changing workforce, fosters safe and healthy workplaces and assists people in need." (AHRE, 2002, p.2).

Historically, Alberta has been a leader in the promotion of the career development profession, and AECD staff saw themselves as leaders in the field. Although AHRE continues to develop and distribute career development material through its network of career development centres and the Internet, the departmental change in focus with its subsequent shift in staff responsibilities continues to impact staff perceptions of their role as career development professionals. The interviews reported in Chapter V provide additional insight into how these perceptions influenced former AECD staff.

One significant change made in 1995 that impacted AECD staff and people with disabilities was the change in the delivery of the Vocational Rehabilitation for Disabled Persons Program (VRDP). *New Directions* indicated the change in VRDP stating that it would be revised to "focus assistance on those who need it most" (AECD, 1994, p.10). This statement ultimately meant that people with disabilities no longer received the full support (living expenses, books and tuition) they had received under VRDP. Instead, students received a student loan for these expenses while VRDP covered the cost of special supports required to assist the student to be successful in overcoming the barriers to education and work created by the disability. This change was seen as assisting those most in need and a move toward "mainstreaming" services for people with disabilities. It is also one of the few changes for people with disabilities that clearly reflect the government's neo-liberal principles. The income assistance provided changed from a grant to a loan and some public outcry may have been expected. However, all people in training in 1995 were "grandfathered" and the changes passed with little public outcry. Today the VRDP program has ended and the focus has moved to assisting people with disabilities to find employment. Education often remains the first step, but support in the workplace is receiving increased emphasis. Supports are provided to assist people with disabilities to prepare for and gain employment via what is now called Disability-Related Employment Supports (DRES).

Until it ended in 1998, VRDP made up the entire array of services offered by AECD for people with disabilities. This delivery model placed all services for people with disabilities in one stream which, although it did offer a range of services to this group, tended to limit access to other education and training opportunities. In the late 1990s, people with disabilities gradually gained a higher profile. First, in 1998, provincial Social Service Ministers signed the *In Unison* agreement setting out a vision of full citizenship for people with disabilities. This step was followed in 1999 by the establishment of the Minister's Employability Council whose mandate was to provide advice to the Minister of AHRE on how to break down barriers to employment for people with disabilities. People with disabilities who are able to work are seen as members of the non-traditional workforce, identified in *Prepared for Growth (*2001) as an indispensable segment of the workforce that will make Alberta competitive in the new millennium.

These changes highlight once more the dichotomy facing people with disabilities. During the 1990s, people not "work destined", such as AISH clients, were not impacted by government policy changes. For people with disabilities seeking employment, it has gradually become clear that assistance is provided to workers expected to be economically productive rather than to citizens in need. Although the impacts on people with disabilities have been less dramatic than for able-bodied Albertans, the key appears to be the ability to work. The "undeserving poor" are those who are able to work, the "deserving poor" are those willing to take income assistance and to expect little else. .

IV.6 Alberta Family and Social Services (AFSS)

While AECD's mandate focused on adult education and career development required to ensure productive members of society, AFSS was the welfare department providing assistance and support to people in need. Review of AFSS annual reports and early business plans provides a step-by-step demonstration of neo-liberal government policies in action.

IV.6.a 1990/91 and 1991/92 AFSS Annul Reports

In November 1990, the department introduced Supports for Independence (SFI), a program innovation to be implemented over three years to replace social allowance. The new program placed greater emphasis on supports and resources, which encourage independence, and outlined the client's responsibility to strive toward self-sufficiency. A standard benefit package was also introduced including food, clothing, personal allowance, laundry, transportation, and telephone funds for every client family unit (AFSS, 1991).

In 1991/92, the implementation of SFI continued with clients being assigned to four categories:

1. Employment and Training Support for clients who can work or take part in training,
2. Transitional Support for those who temporarily cannot work,
3. Supplement to Earning for clients who are working but who cannot make enough money to cover their family's basic needs, and
4. Assured Support for those who may never work primarily because of health problems (AFSS, 1992, p.9)

The Investigation and Fraud program began investigating suspected cases of income support abuse with a view to criminal prosecution of people proven to have deliberately defrauded the program. In 1991/92, 32 new fraud investigation positions were created, for a total of 44, and 165 criminal charges were laid with 107 convictions. In 1991/92, 597 criminal charges were laid against 462 individual clients. These increases could be another way to decrease the welfare caseloads. Detecting fraud appeared to be a priority, perhaps at the expense of helping people return to the workforce.

The second phase of SFI included implementation of a new delivery model that saw staff take on specialised roles as Intake Workers, Financial Benefit Workers, and Employment and Clients Support Services Workers. Standardised jobs descriptions were developed to ensure clear expectations for all staff members who competed for positions in the three new areas. At the same time, introduction of new computer systems meant that a number of data input administrative positions were made redundant. A number of these staff members were reassigned to the new Financial Benefit Worker (FBW) category. These changes were seen by most of the former AFSS staff interviewed as having had a significant impact on subsequent service delivery. Many of the FBWs had no post-secondary education and did not come from a social work background. They were seen as interpreting the letter of the law with no understanding of the general mandate of the department (AFSS 1992).

In the AFSS 1991/92 Annual Report the departmental mandate was described as follows:

> Alberta Family and Social Services exists to protect and promote the social well being of all Albertans. It reaches this goal by developing and administering statutory and mandated social service programs. These programs in turn encourage and support individual and family independence and self-reliance….the Department's responsibilities include…helping people who are dependent on public support or protection to become independent or more self reliant, and, assisting people who are close to becoming dependent on public support to remain fully independent, or to help them too reduce the degree of support they may require in the future. (AFSS, 1992, p.1).

IV.6..b 1993/94 AFSS Annual Report

Welfare reforms were introduced in 1991, signalling the shift from a passive to an active welfare system helping people regain independence through employment and training. The first three-year business plan was developed with the goals:

- To encourage and support employment and other alternatives to dependence and expand opportunities for employment preparation and on-the-job training,
- To reduce dependence on assistance,
- To transform SFI into a transitional support program, while maintaining the commitment to support people who are unable to become fully independent,
- To clarify the SFI is a last resort program and communicate expectations,
- To promote equity between assistance recipients and those who work in low income jobs, and

- To centralise student finance in one department of government. (AFFS, 1994, p.8)

Shared initiatives with AECD included job placement services. Training on the job and enhanced employment services were contracted out to address the goal of increasing client readiness for employment. Welfare recipients who were assessed as needing education or training were referred to the Students Finance Board. AFSS transferred funds to AECD to be issued as grants for individuals receiving training for basic foundation skills and special needs students.

The Assured Income for the Severely Handicapped (AISH) program was established in 1979-80 within AFSS. Until AISH reform in 1999, people with disabilities receiving AISH were seen as not able to work and no specific program dollars were provided for this group. In 1999, AISH reform recognized that some recipients could move toward greater independence and work at least part-time. AISH recipients can now volunteer to try and move toward employment and reduced dependence on government support. However, budgets are limited and there are limited funds available to assist AISH clients. Because eligibility for the AISH program demands that people prove that their disabilities limit their ability to gain and maintain employment, this group is seen as being unable to reach full independence. For the most part, programs serve those closest to employment.

IV.7 Current Situation: AHRE 2002-2005 - Business Plan

The 2002/05 AHRE business plan shows movement toward a department with a primary focus on individuals succeeding in the labour market, with some assistance to those in need. The mission of both AFSS (originally to protect and promote the social well being of all Albertans) and AECD (originally to assist Albertans with career planning and learning) have shifted within AHRE to enabling Albertans to succeed in the labour market.

Figure 3: AHRE Mission

> Mission: To provide a continuum of services and information that enables individuals to succeed in the changing workforce fosters safe and healthy workplaces and assists people in need.

Core Business

People Investments

Investments providing the foundations for people in need

Skills Investments

Help individuals to be their best at learning and work

Workplace Investments

Supporting workplaces to make Alberta prosperous.

↓

• Provide financial benefits and personal supports to Albertans in need.	• Help individuals prepare for, train for, find and keep employment.	• Contribute to workplace that are safe, health, fair and stable for employmen and employees

In the 2003/04 fiscal year, it appears that once again there was a renewed emphasis on "getting people back to work" with a sense of "déjà vu" in renewed efforts to manage budgets. It appears that maintaining a balanced budget continues to take precedence over the needs of the poor. According to an April 8, 2003 News Release on the 2003 budget, AHRE continues to target additional assistance to those most in need. Singles and childless couples not expected to work received an increase of $20/month on June 30, 2003, while those expected to work did not receive an increase. AISH clients no longer eligible for the Canada Pension Plan Disability benefit are now able to access health coverage through the Alberta Adult Health Benefit (Alberta Government, 2003) Thus, Alberta continues to have "deserving" and "undeserving poor." Despite yearly surpluses and huge oil revenues, the government continues to "cry poor." Despite the clear recommendations in the 2001 *Low Income* Review, welfare and AISH rates will not be increased until the budget allows. (Alberta Government, 2002)

IV.8 Summary

The steps taken since 1993 by the Klein Government can be seen as a series of cascading events ending in the entrenchment of neo-liberal principles and practices throughout the government. Following the Speech from the Throne in 1993, the Government moved quickly with the introduction of a strategy to eliminate the debt in Budget '93, identified the core businesses that government would be involved in, and mandated business plans for all Alberta government departments in *A Better Way* (1994). Subsequent policy documents including *A New Direction for Adult Learning in Alberta* (1994) and *People and Prosperity* (1997) focused on establishing and strengthening the supply-side economic model in Alberta, emphasizing individual responsibility to improve citizen's education and skill level.

Prepared for Growth (2001) continued to support this human resource economic model of development. Tracking departmental business plans and annual reports reveals the introduction of neo-liberalism in specific departments. One of the most telling findings in this review was that decisions and direction that initially appeared to be driven by public demand were, in fact, directions that had been pre-determined and were manipulated to ensure the Albertans wanted what the government planned. Examples include the draft of T2T that was written before consultations began and *A New Direction* that was released in October 1994 after being announced in February 1994.

Reviewing annual reports and business plans reveals that changes were introduced before public announcements were made. One example is the introduction of the SFI program and the move toward active interventions before "welfare reform" was officially introduced in 1993. This reveals the direction the government planned to move before confirming the approval of the public through an election. Although setting directions and making changes to improve service is what is usually expected of a government in power, the Klein Government consistently says that they are responding to Albertans when, in reality, they are setting and implementing their own agenda.

AFSS and AECD come from markedly different philosophical perspectives. AFSS was the welfare department providing basic living assistance, but with expectations of employment for clients beginning to gain importance through the 1990s. Although AECD was originally concerned with career development and education, rather than employment or income support, it too moved toward a focus on assisting Albertans to find employment.

The introduction and expanding importance of the business planning process demonstrates the control this tool has had on department employees, defining the areas of importance and directing staff priorities, and identifying which Albertans will receive assistance and the type of service and assistance they can expect. The introduction and implementation of neo-liberalism in the Alberta government, traced through government policy and departmental business plans in this chapter, sets the stage for the discussion in Chapter V of experiences of department staff as described in their interviews.

Chapter V
Alberta's Deserving and Undeserving Poor: Interviews with AHRE Staff

A vision without a plan is a romantic at best, a plan without a vision is simply adjusting the existing order of things. – Anonymous

V Introduction

This chapter will investigate how initiatives designed to reduce welfare caseloads and to promote individual responsibility to seek independence as quickly as possible were experienced by AHRE staff. It will also discuss the extent to which welfare clients and people with disabilities can be seen as representing the "deserving" and the "undeserving poor." The interpretation of the interviews build on the review of policy documents in Chapter IV in order to complete the story of the impact of neo-liberalism on AHRE staff and disadvantaged Albertans.

Thirteen interviews were conducted with AHRE staff, 6 with individuals working with welfare clients and 7 with employees working with people with disabilities. The informal interviews were intended to let the interviewees talk about their work. I started by asking the interviewee whom they worked with and the type of services they provided. We then moved on to discuss in more detail the characteristics of the people the interviewees worked with, how successful the services were in helping the clients, and how people with disabilities were treated differently than welfare clients. Our discussion also addressed how changes in government policy impacted staff members and their clients.

The results of the interviews are presented in three sections. Section V.1 discusses the interviews with people serving welfare clients, and is further divided into three theme areas emerging from the interviews. Section V.2 reviews the interviews with staff members working with people with disabilities and is again subdivided by major themes. Finally, Section V.3 discusses interesting cultural differences among former AFSS and AECD staff members that emerged from the interviews.

V.1 Staff Serving Welfare Clients – the Undeserving Poor

Six staff members who work with clients receiving social assistance and who had been involved in implementing program changes were interviewed. Comments from these individuals centered on three thematic areas: pressure to reduce caseloads; justifying or coping with change; and perceived effectiveness of changes

V.1.a. Pressure to reduce caseloads

Staff members had clearly been under significant pressure to reduce the caseloads of welfare clients. The following summary by Roach (1997) of the direction taken by the government in 1993 was reflected in interview comments and provides an understanding of the pressure the interviewees were under.

> First, a series of changes were implemented in order to "deflect" potential clients. For example applicants were encouraged to exhaust other sources of support before turning to welfare. At the same time, new eligibility criteria were introduced that made it more difficult for some applicants to qualify for assistance. …Third, there was a shift from passive to active supports including increased emphasis on job training and educational upgrading. (1).

V.1.a.i Deflection strategies were introduced

Changes originally introduced in 1990 were implemented when the budget cuts of 1993 occurred. Reforms included a number of "deflection strategies" designed to divert potential clients from accessing the welfare rolls. A number of interviewees commented that, after 1993, there was a tightening of access by front-line staff members. People applying for welfare benefits were often referred to a two-week job search program. If they did not get a job while attending this program their application for benefits could be completed.

Job search and placement contracts were established for these diversion activities. A variety of means were used to channel clients to other services or supports before their application was approved. These programs included counselling, resume writing, job search and placement, and job retention strategies. They were intended to get people jobs. Information sessions were designed to assist people to develop an employment plan detailing how they planned to return to work. These programs were often contracted out to private training companies

Janice, a former ECSS worker, stated: "For our employable clients we definitely put the pressure on for them to work, they have to be out getting a job." Helen, an ECSS worker, concurred,

> If an applicant was single or a childless couple they would be expected to connect with one of our referral agencies before the application was even taken to try and get a job…unless they got a job they had to spend two weeks at this agency. …
> Since the reforms in '93 there was a very high emphasis on tightening up the front-end [and] so making it more difficult for people to access both benefits and services. So clearly the expectation was [on people] accessing other resources and channelling people in those directions so either deferral – meaning you would send them (particularly singles and childless couples), to an employment preparation program prior to [them] receiving benefits. Only if they complied would they be eligible for benefits. So there was a real push to get people that were expected to work to access programs prior to even getting anything from AHRE and of course [those] "not expected to work" were fast-tracked through intake… so there was definitely a different approach to the different kinds of clients based on their attachment to the workforce.

Welfare was to be the option of last resort and these diversion tactics were intended to ensure that clients demonstrated that they had no alternative other than welfare and that they had been unable to find employment.

The importance of diversion tactics for those who were expected to work made the initial assessment of who should be expected to work and who should not a critical step. Despite the importance of this initial categorisation, many interviewees commented that the assessment done during the initial application interview to determine as person's ability to work was often flawed. The perception of the frequency of mistakes in this assessment process varied. Some people felt that errors were made occasionally while others felt that many of the applicants had hidden barriers that made maintaining employment difficult. For example, after describing referrals to employment preparation programs for "expected to work" clients, Janice went on to comment on the assessment process.

> [S]ome of the problems lay in those grey areas where there wasn't necessarily a good assessment done by the intake worker and somebody

> may have been deemed to be expected to work when truly if a real good thorough assessment had been done it was clear they weren't [ready to work]...There were some people who fell through the cracks because of that sort of immediate designation from the client direction worker.

Despite the fact that these weaknesses in the initial assessment process appear to have been recognized, at least to some degree, the majority of people were designated as expected to work. There was also general agreement, explained by Janice, that singles and couples with no children were often expected to work despite the fact that they may not be job-ready

> Question: "So expected to work applicants would go away and do the employment preparation program?
>
> "Yes, they would go to an agency for two weeks and if they completed that, then they would be eligible for assistance, if they didn't then they wouldn't qualify....
>
> Question: "Employment preparations, they were aimed to get people a job?
>
> "Yes, they were focused on jobs, any job. Still...there was sort of this compartmentalizing of people...There was this myth that singles were more likely to attach to the work market or should be able to attach to the workforce."

Shillington (1998) analysed the characteristics of a random sample of Alberta welfare clients in the mid-1990s and discovered that,

> ... couples with children and unattached individuals (individuals living by themselves or with non-relatives) each made up about one-quarter of social assistance recipients in the sample in both 1993 and 1996. In contrast, couples without children constitute a relatively minor group (less than 10% of respondents receiving benefits in each year). (p.24)

Hence, it appears that despite government efforts to push single and married couples without children into employment, these more "undeserving" groups continued to make up a consistent percentage of the welfare caseload. Those "expected to work" did not usually receive any career counselling to help identify their short and long-term goals and to develop a plan to achieve these goals. A short-term employment plan was developed and a job, any job, was expected. Beverly, who had a career counselling background, stated:

> For the welfare group, it is the employment planning and so I meet with them to outline the steps to the employment plan that they are required to follow, they agree to follow and basically I meet with them throughout the month to keep them on track and to help, assist them wherever I can...
> I do as needed career planning with them...I look at their long term goal as well as their short term goal. Often the long term goal involves the career planning and the short term goal is finding a job… as soon as possible.

Staff members who did not have a career counselling background did not appear to include long term career planning in their work with clients, as indicated by this interview with Janice:

> Question: "So there wasn't much assessment of career…even a goal, did they talk about that at all?"
>
> Um, I think that the longer they had been on assistance the more emphasis there was on immediate short term goals and then longer term goals.
>
> Question: So in that initial phase?
>
> No, not in the initial (phase). After they saw an ECSS worker, then there would be more of that sort of separation of short and long term, but at the onset particularly for singles and childless couples and we continue as an organisation to have the least emphasis on that population and I think that a high percentage of singles that are classified as expected to work are not [able to work]. If you really examined a profile of the singles it would be clear that many of them have learning disabilities, came through the child welfare system, grew up in dysfunction[al] families and really were not equipped for the sort, of quick results that we expect, any job, and even that was a stretch for many of these people and we wonder why they failed.
> I would say 60-70% of all applications are "reopens" because we haven't done a good job of preparing people for a career, like you say, so that they are at least in a TOJ [Training on the Job program] where they have opportunity for advancement within an organisation so there is some hope for the future, they are not stuck in a fast service job for the rest of their life…Yes, I think we could do a better job of preparing people to find employment that would allow them to remain off of assistance.

Even when there was recognition of the need for longer-term assistance, most services continued to be short-term in nature. While assessments were identifying that people had barriers to employment, there was little support from management to allow longer interventions to prepare clients for the workforce. Sarah, another ECSS worker, stated that,

> ...There is not recognition on the part of the organization that we need longer term interventions. I think, ECSS workers and career counsellors .... are now doing good assessments and identifying what the barriers people have are, but there is, I think,... a lack of support on the part of management in delivery to allow people a longer time to prepare for the workforce.

Employment preparation programs, including resume preparation and other job search activities, were nine weeks or less and, as stated above, were offered during the initial diversion period. One interviewee said that finding a job was the first priority. It is interesting that although education and training are lauded as the most effective way to develop a skilled labour force, most "expected to work" clients were not referred to the Skills Development Program (SDP). Rather, they were expected to find a job. SDP became an option only after people, often single mothers, had been on assistance for some time and barriers to employment were identified.

Despite the fact that there is a strong relationship between education and welfare utilization (Shillington, 1998), and that SDP was intended to enhance the education levels of Albertans, particularly welfare recipients (AFSS, 1994; Alberta, 1994), in the 1990s the majority of SDP participants were not welfare clients. Shillington's 1998 survey of welfare recipients found that between 1993 and 1996, 51 out of 471 (approximately 10%) people participated in the SDP program. In 2002, welfare clients represented 25% of SDP referrals (anecdotal information from AHRE staff). Most interviewees gave no specific reasons for the relatively few referrals to the SDP. However, the assumption can be made that the emphasis on finding a job took precedence over referrals to training.

> A lot of times I felt that school was a better option than employment...I couldn't send a ...single mom who was in a full-time waitressing job...we couldn't send her to school because [she]couldn't give up full time employment to go to school. But, it was a ridiculous notion because it was in her best interest and the best interest of her children to do that. [Janice]

Although there was some agreement that "expected to work" clients had to work and that this demand could mean that barriers to employment were ignored, this was not a unanimous view. As Margaret explained:

> If you are in an employable category of client categorization there is an endless array of services, pre-employment programs, and workshops and without a doubt there is more emphasis placed on that group of clients and it seems like that is where all of our contract dollars, pretty much, are spent where you can see a return on your investment um and if I look pre '93 and post '93 ....clearly the direction from the Ministry was "look, let's focus our time and our energy and our money on those categories of investments where we can see the quickest results with minimal input kind of thing" ...and I think the unfortunate thing is that in the process people who are categorized as code 42 [not expected to work] my experience tells me that often people are categorized as code 42 out of administrative convenience...because they are eligible for different rates, higher rates for shelter, there is no expectation for these folks to work and we see time and time again at the end of the spectrum where we get fraud investigations on somebody who ends up being a code 42 or a medical code where they are not supposed to be working and we find that they have been working for years, but because there is less attention paid to those groups of clients its easier...We have not given that program (AISH) the right resources to make any impact in terms of having meaningful employment.

Thus, my interviews show that the diversion tactics had the desired effect of keeping people out of the welfare system and that there was a tendency to categorize people as "expected to work" regardless of the presence of barriers to employment.

V.1.a.ii Emphasis on Compliance

In my interviews, I heard numerous comments relating to a strict emphasis on compliance. If a person was not expected to work they were "fast-tracked" through the system; but if they were expected to work they had to comply with all directions. Failure to complete a program to which they had been referred, or leaving a job without good cause, resulted in the file being closed.

In order to justify the significant expenditures on programs designed to find people work, there was also pressure to make referrals to Job Corps and other contracted agencies. These expectations put additional pressure on staff to make referrals and on the providers to achieve employment outcomes regardless of the appropriateness of the referral. The client, caught in this process, faced disqualification if they did not follow directions from AHRE staff and the contracted providers. Beverly felt that,

> There was a lot of pressure unfairly [put] on ECSS workers to meet targets in terms of referrals to the agencies, to Job Corps and those kinds of things. …Maybe there was the wrong motivation for making those referrals and there wasn't, in my mind, really good matching going on with the agencies that we were referring people to. It was more just getting them [referrals]. …Sometimes the service providers were set up too, because they were measured on outcomes of employment and sometimes the people we sent them couldn't deliver.

Some interviewees felt that too much emphasis is still put on numbers and quotas. Others felt that the quality of outcomes and client satisfaction is more important than the number of case files closed. Despite this view, most people felt that they had no choice but to meet the quotas and to enforce strict compliance expectations. Janice explained:

> There was a sense that there was [sic.] quotas that you had [to do] so many referrals, and so many placements …I really didn't pay attention to that because in my mind quality and a good outcome was more important than numbers. … I think that as an organization we put way too much emphasis on numbers and we measure things according to numbers instead of outcomes, instead of positive client satisfaction …[we measure] organization[al] performance measures and [these measurement systems]are not synonymous.

Another comment was that files could be closed if the person applying did not comply with requirements to attend an interview, for example. Clients were not given a chance to explain why they did not attend the interview and staff didn't inquire.

> …In '93 that was clearly the message, if somebody doesn't comply with their employment plan their file is closed – no two ways about it. They had the right to appeal. There were a lot of files closed … in my mind, I wouldn't let it happen in my unit, but I knew it was happening. A client missed one appointment with an ECSS worker and the file was closed. [Janice]

In order for the file to be reopened on a case that the Appeal Panel had upheld, there had to be a significant change in client circumstances. For example, if a person was fired from employment and, subsequently, didn't meet Employment Insurance criteria for leaving employment, then the change in circumstances required before the file would be reopened would have to be getting a job or a medical report saying the individual could not work. One interviewee (Janice) stated that at one time the Appeal Panels had become very hard-line and were upholding most decisions.

> I asked the workers "Are you sure that you want this file closed?" Because in my region at that time the Appeal Panel had become very hard line too and they were upholding all [file closures]. [We need to] make sure the family will make it ...There is now a general softening but is taking way too long...We have to get a balance between pre-93 and post-93....a happy medium where we are still meeting the needs of our clients without totally dismissing the programs mandate [which is as] a program of last resort, and helping people move toward independence. Those are the concepts, but... a lot has been lost in the translation.

V.1.a.iii *Financial Benefit Workers Pressured to Reduce Caseloads*

According to a report published by Alberta Family and Social Services in 1992,

> In the new delivery model, front-line staff took on specialized roles as intake workers, financial benefit workers, or employment and clients support services workers. Standardized job descriptions were developed for those roles. In turn, supervisory and administrative staff roles were looked at and defined. Standardized job descriptions for all district officer roles help to ensure clear expectations for all staff. Overall implementation of the model has ensured staff resources have been equitably distributed. (AFSS , 1992, p.9).

The Supports for Independence (SFI) program, introduced in the 1991/92 fiscal year, included the development of a model that saw staff take on specialized roles. This position reorganization created three types of staff positions: Financial Benefit Workers (FBW); Employment Clients Support and Service (ECSS) workers; and Intake Workers. Many of those interviewed felt that this change had altered service delivery. Intake workers and ECSS tended to have post-secondary education while most financial benefit workers did not.

As discussed in Chapter IV, standardised job descriptions were developed to ensure clear expectations for all staff. Staff competed for positions in the three new areas. At the same time, introduction of new computer systems meant that a number of data input administrative positions were eliminated. A number of these staff members were reassigned to the new FBW position. Comments during the interviews provided the following profile of the FBWs.

Many of the FBWs had no post-secondary education, and did not come from a social work background. They were seen as interpreting the letter of the law with no understanding of the general mandate of the department. They did not have training to deal effectively with the people they saw every day. FBWs were the "shock troops" responsible for reducing the caseloads. These workers felt that, particularly during 1993/94, they had no discretion and that they "just said no." People were expected to take any job and if a job was lost because of circumstances that could "reasonably have been controlled" they would not be eligible for further assistance. This group tended to be inexperienced and, because they had been trained to reduce caseloads, they didn't consider doing anything else. As Sarah stated, managers encouraged them to continue to "say no",

> My manager did not want me dealing with the financial benefit workers because he called them his pit bulls because they were his pit bulls they were the ones who kept the caseloads down which meant he'd get a good bonus...I couldn't deal with performance issues because he didn't want me too because they were doing just fine thank, you very much.

Joan, an FBW, asked:

> Was there a plan to reduce caseloads with inexperienced people? If not maybe these changes were seen as a way to save staff dollars. In any case, there was no care for the needs of staff.

Although the view of FBWs as "shock troops" was expressed a number of times, not all FWBs fit this stereotype. Some staff members chose to become FBWs rather than take an intake worker or ECSS position. One interviewee in particular saw herself more in a social work role working with clients who were unlikely to find full-time permanent work

> I find that when we expect people to work that we can become very punitive, very quickly. Not only do they get less money to begin with but we're not terribly nice to them if they are not doing what we want them to do.

V.1.a.iv Pressure from above

According to those interviewed, and also other informants with whom I have discussed this issue, during 1993 and 1994 it was accepted that in order to reduce the caseloads stringent application of policy would be maintained. Anyone who challenged this direction received (either directly or indirectly) messages that they were not responding appropriately. People who felt that changes had gone too far or who wanted to improve service felt "squashed" by those who "didn't want to look bad." People trying to make changes didn't get the support of their managers, as Sara explained.

> You know everything was focused on getting the caseloads down. And people were evaluated on that. 'Til this day and why it hasn't stopped I don't know, but 'til this day area managers get bonuses based on the amount of cases that have been closed…and you would be reprimanded or the office would be if your caseloads didn't drop. So that was definitely pressure, definitely related to work performance, definitely related to the permanence of work. I'm sure that couldn't have been very easy and it still happens and until that changes in the field nothing will ever be seen as different…
> Because managers tend to compete with other managers…You know for lower caseloads and fewer reopens. There was always that competitive edge with managers and so we very clearly had it pointed out to us that we would need to have our referrals to Job Corp for example. Maybe not all the time they were the best referrals because the client may have had a number of barriers that they weren't even ready for Job Corp yet. But we had to keep our numbers up and we had to be the best in the regions in terms of referrals. Certainly to our contracted agencies we had to keep the referrals up, if we didn't then you know we had to do that…I think that sometimes we set clients up to fail. \

Sarah continued

> I think there are a lot of good [staff] people out there trying to do [what is best for their clients] but they are getting squashed by the ones that won't because they don't want to look bad. And also they aren't getting the support of their managers. Like I didn't …I worked with people who were there for twenty years plus and never got the support of their managers.

V.1.b Justifying or Coping with Change

The changes in 1993 saw reduced benefit rates, reduced caseloads, increased auditing, and a basic change in eligibility. Staff were expected to make changes in delivery in a short time period and to continue to deliver a new standard of quality service. These changes inevitably resulted in cogitative dissonance for some employees. Many of the comments from staff can be seen as a reflection of the process of coming to terms with the significant changes introduced over the period of one year. Many felt that although they recognized a need for change, they felt that things had gone too far in a number of areas. Janice thought that:

> … there was recognition that change was required, that putting emphasis on employment was a good thing, but it went overboard and there is not the ability for discretion on the part of the worker… We are treating everyone the same and you can't do that.

Some thought that things had been too generous before 1993. Sarah commented

> I know workers who had a difficult time giving washers and dryers… When you see people coming from Saskatchewan to get their washers and dryers and take them to Saskatchewan because their government doesn't give them out.

Joan added,

> If someone came into our system from another province we would issue them clothing and furniture to families and people could walk out of there with $3,000 cheques…aside from that, um, we are still issuing $143 for food for an adult and we have been doing that the whole 13 years I've been here.

Several myths about how the 1993 changes impacted service delivery appear to have become common belief. Sarah thought that "People were evaluated on that [caseload reduction]. Until this day…area managers get bonuses based on the amount of caseloads closed. …".

Janice suggested that:

> People that were hired after '93 just don't have that, the approach [of treating people with respect]….we have lost the [human service perspective to service]…We have compartmentalized our services…we have financial workers …some of them came from the administrative ranks and they don't have the understanding of social problems and human dynamics and so they just look at things as black and white… I don't really support our delivery… approach. I think we were better when we had one case manager…who looked at the whole person.

Sara summed up her feelings as follows, "….Don't tell delivery staff that it is kinder gentler times….Managers are still getting the bonuses for less files so why would you want staff to change?"

An interviewee employed in upper management did say that currently managers do not receive bonuses based on caseloads, and that he did not believe they ever had. Regardless, this is a common belief held by many AHRE staff members.

V.*1.c* *Effectiveness of Changes*

Although most interviewees did not speak directly about how effective change had been, the repeated comments about reopened case files indicates that revolving in and out of the welfare system was, and is, quite common. The comments about people with hidden barriers to employment and falling through the cracks would seem to indicate that, for the people still in the system, changes have not served to help them leave the system. Shillington et al (1998) found that, although those participating in Government sponsored training programs participated in slightly more paid employment than those who had not entered a program, the difference was not statistically significant. "While the study does indicate a sizeable increase in paid employment between 1993 and 1996 among former and continuing social assistance recipients, more credit must be given to the improving economy than to the training programs per se." (52).

There were comments on the movement away from a continuum of services that included training, volunteering, part-time programs, and full and part-time work to a focus on full-time participation regardless of a person's needs. Helen felt that:

> It is ludicrous to expect a single mom with five kids to go to full-time programming. It is not going to work. We need to be more flexible in what we offer people and alter our expectations… [Clients need to] get their lives in order because unless some of these other issues are addressed there is no hope on earth of them ever getting and maintaining a job.

Interviewees like Janice also commented on success in terms of staff support and "buy-in."

> I know that some of the people that I directly supervised have left to go to career development now that we are one organisation, because of the recognition on that side as more of a balance of career planning versus pushing people into employment… instead of any employment it was sort

> of reasonable employment. The people that worked prior to'93 were having difficulty reconciling some of those pressures...Where was your responsibility to the client or the organization? That was frustrating for some of the people who really wanted to do quality work.
> I am a prime example, I left delivery…because I felt I had the ability to influence some change and I was getting very frustrated with….the over-monitoring of clients, the approach that they [clients] were lying until they proved they could be believed…

Margaret stated that:

> … streamlining and redefining roles within the old income and employment program world, that support piece quite clearly has been delegated informally and in a very unstructured way I think for the most part to the community."

The following are two different perspectives on the success of government changes. Jess felt that:

> There is an argument that the changes have been very positive in supporting or requiring people to be more independent and self-reliant in work. I think there have been some social costs in terms of …a real increase in our child welfare caseloads. I think you can argue that there is a direct relation there. I think there have been some real costs again in terms of the rates we are providing people.… We [have] been able to move… some people very successfully into feeling better about what they are doing. It is hard to find people who want to be on welfare, especially with what we pay them...so when you can get people working you know at 10 [to] 12 dollars an hour they are feeling very positive.

In contrast, Margaret felt that:

> For the most part the majority of people in our department wouldn't be all that different than the majority of the voting public who said "look this has got to change." Why is it advantageous for someone to be on welfare as opposed to a working poor person? So that in itself, I think, was a huge impetus for why things had to change. Personally, yes, I thought that the changes were probably ten or fifteen years overdue…As far as whether the reforms have gone too far, no, I don't think that they have…

V.2 Staff serving people with disabilities – the Deserving Poor

Seven interviews were completed with staff members in the career services area working with people with disabilities. These interviews were primarily with staff from AECD who continued to work with people to plan their careers. The results of these interviews are presented separately to reflect the markedly different comments from the two groups of interviewees. Two different themes – lack of pressure to reduce caseloads, and the move to full citizenship – can be identified in the interviews.

V.2.a Lack of pressure to reduce caseloads

Career Service staff members did not deal with providing basic living supports to clients and basically did not feel the same pressure that their colleagues dealing directly with the income support programs experienced. In fact, Career Service staff saw themselves as serving people who of their own accord wanted to receive services. Donna, a supervisor and former counsellor, said that counsellors sit down with clients with disabilities as with all clients and discuss with them why they came and what services they require. These might include career planning, employment service, education supports, and perhaps disability-related employment supports. These services are seen as leading to employment. People not determined to be "employable referrals" were referred to other services including the Assured Income for the Severely Handicapped (AISH) program.

Not many AISH clients are seen as fitting the "employment ready" category. The following statement by Donna expresses the views of the majority of interviewees:

> People with disabilities are looked at like every other Albertan coming through our doors, we are looking at that notion of self-directedness, in other words, modeling an independence model, in which we are looking at Albertans doing as much as they can on their own and then if we have to provide more in-depth intervention then, of course, we will do that....we have a range of services for all unemployed Albertans so if somebody comes in and they're needing some additional supports or some additional career planning an appointment can be booked with them. Specifically, for a person with a disability we have one or two contact people. One who actually does direct one-on-one counselling with clients who are either on AISH or the SFI (income support people) who have identified themselves as wanting to access other services. They are not being forced, they are just identifying, they want to look at employment or school or whatever....

Four out of seven interviewees felt that their role was the traditional one of assisting people with disabilities to develop a career plan, and then to help them find ways to overcome barriers created by the disability in order to attend school or find employment. Jennifer, another counsellor, felt that changes in the supports given to people with disabilities were becoming too flexible, and felt that if services were not controlled, expenditures would be out of control.

> If I could [make a] change as it relates to services for people with disabilities it would be the DRES. How would I change it? There is some guidelines and policies …, but there is nothing that you can really sink you teeth into where you can say 'yes' or 'no' to an individual…There are no circumstances now when you can probably even say 'no' to an individual. If they have a disability then you provide them with whatever supports that is required. While in previous years that was not always the case…. I am not saying if that is good or bad …if that is the route that DRES is taking then that needs to be conveyed to people who are administering DRES funds.

Jess offered her perception of the differences between contracted services for welfare clients and those for people with disabilities, highlighting some of the difference in service expectations for these two groups. Contracted service-providers for welfare clients were directed to put:

> …these people to work and groups that would normally have been viewed as unemployable it was on a voluntary basis were now, through compliance, being told you will go and you will enter this program. So services adjusted and became …way more sophisticated….The disability groups kind of stayed back in the sixties … they offered the same services they always did. [I'm] not saying this was bad but it really didn't respond as effectively or improve correspondingly.

Thus, some staff members saw the career service world as an environment that deals with voluntary participation rather than forced compliance. This freedom to choose is important for staff members from the old AECD department who now face the dominant AHRE culture of compliance. People with disabilities requesting assistance were not in the income support system, and staff members faced no targets to reduce caseloads. For the most part, things remained as they had been before the major budget cuts began. As Jess said: "The disability programs kind of stayed behind in the sixties."

The majority of interviewees felt that clients should be able to request service without compulsion, but that they should be employment-destined. However, a minority felt that:

> There are some people who are not capable of competitive employment either full- or part-time. …I am concerned that the people who aren't employable are being lost. …Over time we have lost our ability to spend time with people in a thoughtful way and hear from them what their issues are. We are more likely to refer [them] to a service provider for assessments…our ability to critically think about what services to provide for a person and help them with not quick decisions but more intensive decisions has been compromised. …We lay a very heavy employment trip on people. Folks in this society, I don't mean just our department, but folks in our society think that they have value because they are employed. …we don't give them [clients] value in other ways they could integrate in society other than being employed…

Jane expressed the view that people who were unable to work still deserved assistance.

> I had another client and I wondered why were they pushing her out to the workforce. She was on long term disability, hadn't qualified for AISH because of the criteria, and her age - she's young, but the whole complex of disabilities are so big that when they sent her out to an outside contractor to encourage her to look for work and the client didn't comply. She doesn't have it in her to comply. I mean I think we have to deal with reality. She was cut off of SFI and I thought this isn't right. We're not understanding the depth and complexity of her disability, this isn't fair.

To summarize, the interviewees serving people with disabilities fell into two categories: those who felt comfortable with the fact that they served employable clients who were able to gain the skills to find employment, and those who were not comfortable restricting service to only those clients who were obviously employable. None of the staff members working with people with disabilities recounted the pressure to reduce caseloads and find employment for clients that was apparent in the interviews with their colleagues serving clients in the income support system.

V.2.b The Move to Full citizenship

Donna felt that, over time, the demand by people with disabilities for "full citizenship" would have a bigger impact on service provision than the changes begun in

1993. Donna also felt that the Department had responded to the demands of individuals with disabilities:

> Individuals with disabilities are saying to us that they want to be viewed as any other Albertan and that they will take on debt as any other Albertan to get their post secondary education.

If the playing field was levelled and people with disabilities were treated like all other Albertans, then they have to take the risks and possible failures along with the potential benefits. Donna stated that:

> If you are going to view them [persons with disabilities] as you do any other Albertans then what that means is that whole notion of success and failure, in other words everyone has the right to succeed and to face the consequences of the decision that one makes.

Donna also felt that young people with disabilities who came through the regular school system were well equipped to make the decisions demanded of all young people. In contrast, people with disabilities who had been protected by their family and special school systems often were not prepared to be independent adults.

Two of those interviewed, Karen and Jess, felt that disabled people were increasingly asking for service, and that there was potential for most people with disabilities to work.

> People are expecting more for themselves to be able to integrate so folks that might have been a bit quieter in the past about wanting to get on with things now are speaking up....
>
> There is lots of pressures to run programs and services for them [people with disabilities] because many of those individuals want to work. Now they may not be able to work on the same basis that you and I, but some of them certainly, I think, are very employable in terms of less [than traditional full time work]...We're developing a framework of services that include that group....We're starting to research how to move ahead and offer some options. ...We're not talking huge numbers, but that we have capacity to identify those people who are (a) interested and (b) most likely to succeed.

Donna felt that although many people with disabilities were labour market-destined, most AISH clients would not enter the workforce.

> …Are there AISH clients that might have some (employment) potential? … [There are] a very, very low percentage of people who are on AISH that I believe [are employable] … [for] most of them I think it's more of what I would call quality of life. [People] were looking at maximizing options or potential in a way that makes them feel good about themselves as well a contributing in some way in the community. …I think that is a good thing. I think we should encourage people and celebrate whatever contribution AISH clients can make both in improving themselves as well as the community. However, from a labour market perspective …not too many I don't think.

Full citizenship is not incompatible with the policy and program changes made by the Alberta government, if there are the resources to support that direction. The Minister's Employability Council made recommendations to the Minister of AHRE on how barriers to employment for people with disabilities could be eliminated. These recommendations are compatible with the goals of *In Unison*. Jess felt that although there is support at the Ministry level to move people with disabilities into the mainstream of Alberta society, there is also reluctance to raise issues that could be politically sensitive:

> [There is] this kind of…fear that if you do something with people with disability you are somehow going to end up on the front page of the Journal… [The message is] we want you to do something but just don't create a media problem. There is a long memory about the last … AISH reform.

During this interview the concern was expressed that growing demand from people with disabilities for AISH assistance could take an increasing amount of the available budget. Programs would have to be developed to assist clients with disabilities facing the most barriers to move toward employment. Time has proved this concern valid and today all AHRE budgets continue to be under pressure. As a result, the need for the type of programs referred to above, and for programs specifically to improve the quality of life for AISH clients, has gone largely unmet.

V.2.b.i Systemic Barriers Inherent in Full Citizenship

The major funding change for people with disabilities during this period was the use of student loans for students with disabilities, rather than giving them full grant funding for their post-secondary education. The change from full sponsorship for books, tuition, and living allowances to getting a loan was unanimously supported. Interviewees all felt that this was a good change, that it moved this group into the mainstream and demonstrated commitment and responsibility on the student's part. These beliefs clearly reflect the acceptance by departmental staff members of neo-liberal beliefs about individual responsibility.

However, several interviewees commented that although some loan funding was desirable there were systemic barriers that meant that people with disabilities tended not to complete their education as quickly as non-disabled clients. In addition, a lack of employment opportunities after they completed their studies often meant that loans were more difficult to repay. As Karen noted:

> People [with disabilities] are still at a disadvantage with education. I don't think that we should go back to the old VRDP days when we paid everything but I think that there is a need for some additional kind of grant because people with disabilities are still at a disadvantage when it comes to things like summer employment. Their education is taking longer so they're borrowing more money [and] they have higher debts. There is not a lot of stuff for part time students [and] there is a lot of things that are unequal in what we think is the "equal playing field". Before … we provided everything and it was … costing us an arm and a leg and there was no responsibility on the part of the student or whatever. But now we have switched the other way. I guess I would like to see a few more incentives in there.

Jennifer expressed similar concerns.

> There was concern that employment even for people with disabilities who did have skills and education was difficult. I am not feeling that optimistic [about people getting jobs]…the people who actually should … get hired, or should get good paying jobs, or should have reliable stable jobs in their field of interest [aren't] I think that this is a group that is still underemployed or unemployed even if they get the training…

Interestingly, when the change was made from grants to loans, clients already in the system were "grandfathered" under the old rules. Several interviewees felt that this decision muted potential backlash. Karen said:

> It used to be that some people would come in and say "it is my right, I have a disability [and] it is my right, you have to pay for this." That whole attitude has changed quite a bit and the increasing [sense of] responsibility

> for students is great. It's just that I see some of them really struggling now...it's harder for them, it costs more, they don't have the same opportunities for employment, and it takes them longer...

New clients accepted the expectation that they would get a loan in order to complete their education. This "grandfathering" is a marked difference from changes made in the welfare system where changes were implemented immediately and applied to all clients in the system.

V.3 Workplace Culture of AFSS and AECD

The role that staff members played in AHRE appeared to have a significant impact on their responsibilities and their perceptions. Individuals dealing directly with welfare clients were responsible for the basic needs of the people they served. They were also responsible for managing caseload reductions. Staff members who worked with people with disabilities were responsible for assisting people who already had some form of income to prepare for or find employment.

The comments of staff members who worked with welfare clients tended to focus on basic needs. Staff mentioned the lack of security from month to month for basic food, shelter, and clothing, the lack of available low-rental housing, and concerns that people with mental illness or fetal alcohol syndrome make up an increasing percentage of their caseloads. Although they were responsible for ensuring that welfare clients got jobs, their comments tended to focus on their concern for client's basic needs. In contrast, interviewees who worked with people with disabilities tended to focus on people's ability or inability to work. The clients with disabilities had their basic needs met, and if a determination was made that they could not work, a referral to apply for AISH could always be made. This is not to indicate that either group was more or less caring, but rather that the perception of their role was different.

Most of the professional staff in AHRE have a post-secondary education in the liberal arts or social services, but AFSS workers did not necessarily have a specific social work background. Another distinguishing factor between the two groups was the department in which they began their career in the public service, either AECD or AFSS, before these two departments merged into AHRE. AFSS was traditionally the welfare department providing basic income support for those in need. The department provided financial and social service support.[7] The mandatory and financial nature of welfare provided the basis for rules and eligibility, while the social service support element of the department's mandate spoke to the helping profession. Even before the 1990s, AFSS staff members were expected to provide help to people in the context of tightly enforced rules and regulations. It appears that at certain points in time the balance between helping people and monitoring financial assistance shifted, but the emphasis on employment did not begin to dominate until 1991/92. It is not surprising then that the interviewees who had been in AFSS either expressed concern for the needs of the people they served or a concern that undeserving people were receiving assistance. In the interviews, the emphasis on employment was never the first priority and was often mentioned in reference to a referral to a contracted service.

In contrast, former AECD staff members were less concerned with the financial or basic needs of their clients. AECD had evolved as the career development department, creating job search and career development material for Albertans. A history of AECD indicates that the department provided the critical link between the provincial government's economic and social policy areas, providing programs designed to develop and maintain the best possible links to employment in the province. In 1989, the department was already responsible for providing leadership in the development of Alberta's labour force. AECD, formed in 1992, provided a stronger link between education and training efforts and the province's economic goals.

These two departments evolved with significantly different worldviews and the staff in each department reflected these views. In analysing the interviews, the department of origin of the interviewees was clear and discernible from the comments. Although I was aware of some of the concerns expressed by staff members about the merging of these departments, the depth of the impact this change had on the interviewees was an unexpected finding.

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[7] The 1986/87 Alberta Social Service and 1991/92 AFSS annual reports both stated that "Alberta Family and Social Services exists to protect and promote the social well-being of all Albertans. It reaches this goal by developing and administering statutory and mandated social service Programs. These programs in turn, encourage and support individual and family independence and self reliance."

After identifying the importance of the career development perspective coming from AECD, as compared to the social work perspective coming from AFSS, I anticipated that these factors might play a role in acceptance or rejection of neo-liberal beliefs among staff members. This does not appear to be the case. Most AHRE employees, in both groups, expressed some reservations about aspects of the post-1993 policies. Some reported isolated cases of "subversion" where supervisors did not demand that their staff meet referral quotas. There was, however, no questioning of the belief in the importance of individual responsibility, even for people with disabilities if they could work. There did not appear to be a belief that support for those in need was a right of citizenship or that systemic barriers lead to poverty and need. Neo-liberal ideology implies that:

> …poverty is to some degree a matter of personal responsibility, and its alleviation requires personal transformation, such as the acquisition of skills, commitment to the work ethic, or the practice of chastity. This "supply side" view of poverty, often despite powerful evidence, has coursed though American social thought for centuries. … As nations emerge from the tyranny of subsistence, gain control over the production of wealth, develop the ability to feed their citizens and generate surpluses, poverty becomes not the product of scarcity, but of political economy. (Katz 1989, p.3).

Katz's description of poverty reflects the Alberta neo-liberal perspective. Staff members interviewed for the study seem to accept this view of poverty, and it appears that departmental cultural differences have been subsumed by the dominant neo-liberalism of the Alberta government. AHRE is making changes that will begin to have employees take on generalist roles. The Edmonton Region is beginning to have staff perform similar roles. Former AECD counsellors now counsel welfare clients as well as people with disabilities and other Albertans, and ECSS workers are seeing people with disabilities. Over time if the department maintains its mandate, these changes will probably create a unified culture.

V.4 Summary

My interviews had two goals. The first was to determine how AHRE staff experienced and dealt with the changes in government policies and programs since 1993.

The second was to identify any difference in service or acceptance of two disadvantaged groups, people in the welfare system and people with disabilities. As the interviews revealed, two somewhat different groups of AHRE staff had different perspectives based, in part, on staff role and background. Despite these differences, the impacts of neo-liberal tenants were evident throughout the interviews. The interviews also revealed differences in the behaviour expected from people on welfare and from people with disabilities.

General support for a number of themes was found throughout the interviews. The emphasis on and acceptance of compliance, the tendency to designate applicants as "expected to work" until they prove otherwise, the expectation that people will take any job, reluctance to give second chances for failure to succeed in programs or employment, and the lack of recognition of systemic barriers that hinder people from returning successfully to work are all indications of the more general neo-liberal belief that the individual is expected to carry the burden of regaining independence from state support. Despite the fact that most of those interviewed expressed concerns about the feasibility of an unswerving expectation for individuals to take responsibility for their own success in an environments that can be unforgiving, most felt powerless to fight the system directly. However, some had changed their jobs, choosing to avoid rather than fight the contradictions.

A theme expressed by almost all those interviewed was that people should work. Even though there was a general agreement that many people faced barriers such as addictions, social skill deficits, and lack of education, and that some "fell through the cracks," not receiving the assistance that they required; only people with disabilities were seen as not having to work. There was no general sense that systemic barriers impacted people's ability to work and no discussion of how these barriers could be addressed. Some of those interviewed strongly supported the changes made in 1993, insisting that changes had not gone far enough. Only a minority felt that government had a role to assist people, and that punitive measures were being taken if people didn't do what government required.

There were exceptions to the prevailing view of finding work as the only acceptable goal. One interesting comment was that, because society values work to such a degree, there is little value for those who are not in the labour force. The system is designed to expect people to work or to spend a great deal of energy proving they are unable to work. Recent changes in the AISH program encourage people to step forward to attempt to try to find paid employment. This puts people who have invested heavily in proving their inability to work in the position of attempting to reverse how they view themselves. But despite these differences, the impacts of neo-liberal tenants were evident throughout the interviews.

The interviews also revealed differences in the behaviour expected from people on welfare and that from people with disabilities. The pressure for singles and childless couples to find employment provides a startling demonstration of the belief that this group should work and that the government is unwilling to assist the "undeserving poor" who, if they only applied themselves, would be able to succeed. When asked, many interviewees felt that there was an element of the "deserving" and "undeserving poor" embedded in programs and services. There is a higher tolerance for people with disabilities because the barriers that these people face are more acceptable. As for the able-bodied, one interviewee commented, "in Alberta why shouldn't people be able to work, there are lots of jobs."

The interviews with career service staff members showed that people with disabilities also faced demands to demonstrate individual responsibility. People with disabilities wishing to enter post-secondary education were moved to the student loan system, a move seen as a demonstration of their commitment to independence. People with disabilities were also expected to demonstrate their ability to eventually find sustainable employment. For those who were able to demonstrate their inability to work, ongoing government assistance became an option at the cost of no longer being eligible for labour market programs or services.

Thus, there do appear to be two groups of poor in Alberta. The "deserving" poor, usually people with disabilities, can't work and receive the most generous (although relatively little) income support. The "undeserving poor" who do not have obvious disabilities are expected to work. This creates a potential dilemma for the move to "full citizenship" for people with disabilities. *In Unison: A Canadian Approach to Disability Issues* (Federal/Provincial/Territorial Ministers Responsible for Social Services, 1998) called for persons with disabilities to participate as full citizens in all aspects of Canadian society. The full participation of persons with disabilities requires the commitment of all segments of society. The realization of the vision will allow persons with disabilities to maximize their independence and enhance their well being through access to required supports and the elimination of barriers that prevent their full participation. *In Unison* recognized that the achievement of this vision is a responsibility shared by all Canadians.

Where does this leave people with disabilities? There are always winners and losers in neo-liberal capitalist societies. Have full citizenship advocates considered what it means for people to be seen as the undeserving poor?

Chapter VI
Discussion and Conclusions

We regard those people as leaders who have been able to break out of the existing cast of thought and blaze new trails. That those in power were unable to do so shows that they were poor leaders, not that the task was imposable. - Peter Temin, MIT Department of Economics
(Quoted in Linda McQuaig, The Cult of Impotence)

Everyone has the right to a standard of living adequate for health and well-being of himself and of his family, including food, clothing, housing and medical care and necessary social services, and the right to security in the event of unemployment, sickness, disability, widowhood, old age and other loss of livelihood... - U.N. Declaration of Human Rights
From Mel Hurtig, Pay the Rent or Feed the Kids}

VI Introduction

This thesis is an examination of the impact of neo-liberalism in Alberta from the perspective of one Alberta government department – Alberta Human Resources and Employment (AHRE). Specifically, the thesis examines how AHRE staff responded to and coped with changes introduced after the "Klein Revolution" of 1993 when Alberta government leaders developed and began to promote the message of unsustainable debt, too many people on welfare, and the contrast of big, inefficient government to the effective, free market (Jeffrey, 1999; McQuaig, 1999; Lisac, 1995; Gray, 1998).

A review of government and departmental policy, and interviews with staff working with people in the welfare system and those working with people with disabilities, provided the data for this study, which addressed four central research questions.

1. Is neo-liberal ideology reflected in Alberta Human Resources and Employment (AHRE) policies and subsequently in programs and services?
2. If it is, do AHRE staff support and accept government (neo-liberal) ideology?
3. Are values, beliefs, and acceptance of neo-liberal ideology similar among staff serving people with disabilities and those working with welfare clients (i.e. the deserving and undeserving poor)? Do they reflect the different cultures of the

original departments? If not, what are the significant discrepancies? How do these differences impact service delivery?

4. Have contemporary western societies moved so far in adopting neo-liberal policies that 'hegemony' more or less exists in terms of departmental policy and staff beliefs?

My initial assumption was that a study of how AHRE staff coped with changes introduced after 1993 could provide insight into both staff acceptance of neo-liberalism and how service to two target groups – welfare clients and people with disabilities - had been impacted by the introduction of this ideology. The study did provide valuable insights into AHRE staff responses. The expectation that welfare clients and people with disabilities would be identified as
"deserving" and "undeserving" poor and treated accordingly was also supported. In addition, the overpowering impact of neo-liberal ideology was apparent in other quarters, including the paradigm of full citizenship for people with disabilities and the systems of social control observed in AHRE organizational behaviour and its business planning process. The findings appear to confirm that neo-liberal beliefs are currently a hegemonic presence in Alberta.

There was a time when at least lip service was paid to a different perspective on poverty. The 1974 *Task Force on Needs, Opportunities and Responsibilities of the Individual* stated:

> ...while there are reciprocal obligations both on the individual and society with respect to welfare assistance, at the present time, with the national unemployment rate in excess of six percent, it is clear that it is society that is failing to fulfil its obligations much more than the individual.(p.96).

Although the recommendations of this task force may not have resulted in changes in welfare benefits, they do demonstrate a different attitude than currently exists in Alberta. The current Alberta government accepts and promotes neo-liberal ideology. The neo-liberal emphasis of the policy and program changes made by the Klein government in the 1990s have been well documented (Harrison & Laxer, 1995; Lisac, 1995) and espoused by the government. "The Klein government reform program has rested on some fundamental neo-conservative principles." (GPC, 1995, p.42). My interviews showed that, although AHRE staff had a variety of concerns about the way changes were implemented, for the most part they believe in the importance of individual responsibility which is one of the core elements of neo-liberalism. Specifically, people are seen to be responsible for their own well-being and success, and government intervention should be limited to assistance for basic needs, particularly for those unable to succeed on their own.

My policy review and interviews identified two distinct cultures among AHRE staff, depending on their original department, Alberta Family and Social Services (AFSS) or Alberta Advanced Education and Career Development (AECD). Staff members had learned the original expectations of each department and these perspectives were evident in their responses to changes introduced after 1993. AFSS staff appeared to exhibit two, almost conflicting, views. First, they tended to be concerned with the social well-being of the people they serve, particularly the need to provide basic necessities including food, clothing, and housing. Second, their duties include providing income support and maintaining the integrity of the welfare system. The dominance of these two duties varied, depending on the individual. AECD staff, on the other hand, were concerned with career planning, assisting people to identify barriers to employment, and with referring people to enter employment and training programs that would lead to employment. AECD staff did not provide basic income support nor did they mention the need for basic necessities as often as AFSS staff.

I had originally anticipated that these differences might impact the acceptance of government direction. This does not appear to be the case. Perhaps for different reasons, these two groups both support the basic tenants of neo-liberalism albeit with some concerns.

VI.1 Staff Values and Beliefs and Acceptance of Neo-liberalism

Before reviewing the perspectives and comments of staff it is useful to remember the important role AHRE played in ensuring that the Klein government's goals were implemented. The departments of AFFS and AECD were key players in responding to the initial government commitments for change. AFFS particularly played a key role in reducing welfare caseloads, which in turn helped to balance the budget. This department also oversaw the move from active to passive assistance, and first introduced the Supports for Independence (SFI) program. AECD pursued an Adult Learning policy that provided opportunities for "active" participation. The introduction of SFI made the welfare program a transitional program of last resort that encouraged independence, and required clients to develop employment plans outlining how they would exit the system. AECD played a key role in introducing the human resource model of economic growth eventually outlined in *People and Prosperity* (1997) and *New Directions for Adult Learning in Alberta* (1994).

The effect of these changes on staff members was mixed. Many felt their jobs were on the line unless they could significantly reduce welfare caseloads and adapt to the new regime. If they had concerns about the changes, they found ways to reconcile any dissonance they felt. Other staff members working with welfare clients responded by leaving government or by moving away from front line delivery. There was a common expression that although change was required, it may have gone too far. Myths grew up around the generosity of welfare in the past and the intransigence of management in their demands to reduce and keep down the numbers on welfare.

There was no indication that staff members, with a few exceptions, did anything other than follow the rules laid out for them by their employer. Although there was concern expressed that the amount of support people received was insufficient, that there were not enough jobs for everyone, and that there was little flexibility in responding to people's needs or forgiving their mistakes, interviewees felt that they had little choice but to follow the rules.

While staff members delivering the income support program were most concerned with reducing the welfare roles and managing client behaviour, those working with people with disabilities inhabited a different world which did not include providing income support. These counsellors helped clients identify and then move toward reducing the barriers to employment they face. Within this group, interviewees' comments tended to focus not on people being expected to work, but on proving that they could work and that they were prepared to take the responsibility that came with entering mainstream society...

Staff members' comments also provided insight into an underlying acceptance of the broad basic tenants of neo-liberalism: people should work and dependence on the state should be temporary; and the free market is the most effective system to ensure a stable prosperous society. The overwhelming belief that people should work appeared repeatedly in the demands placed on singles and childless couples looking for assistance. These groups can clearly be described as the "undeserving poor." This group's benefit rates are less than rates for other categories of recipients and they were targeted for diversion strategies and new programs aimed at getting people off welfare rolls. The ongoing pressure to control spending and the fear that caseloads will rise continues to dominate government decisions.

One of the goals of this thesis was to identify differences in services provided to people with disabilities and welfare recipients and how changes beginning in 1993 impacted these two groups. I assumed that those with disabilities would be seen as the "deserving poor" while welfare recipients would be classified as the "undeserving poor." This assumption was confirmed in the broadest sense, in that people who were not obviously unable to work were expected to find a job. As mentioned above, this was most obvious in the "singles" category, but it was also demonstrated in the apparent inability to take into account the systemic barriers that were frequently identified when making decisions on individual clients. One interviewee commented on how while every effort was made to assist single mothers to attend school, returning to school was not really possible because of the rules about quitting a job, no matter how badly paid. On the other hand, if people with disabilities demonstrated their inability to work, they were seen as deserving of government assistance.

One of the most interesting findings was that if a person with a disability demonstrated that they could work, or was somehow deemed to be employable, they were moved toward the "undeserving" category and were expected to work. This perception of an individual's responsibility to seek and maintain economic independence dominates. Although interviewees often recognized the difficulties that people with disabilities face in maintaining economic independence, their responsibility was first to ensure that the person demonstrated that they could work, then to assist them to gain the education or skills needed for employment, and finally to find employment. A person who entered the "mainstream" was expected to take the challenges like everyone else. Anyone who failed in this attempt somehow moved from the "deserving" to the "undeserving" category. Thus, like staff members working with welfare clients, those working with people with disabilities responded to government direction despite their different personal views.

VI.2 Full Citizenship for the Disabled

Over the years, the federal government has conducted numerous studies and produced various reports intended to improve the quality of life for people with disabilities, culminating in *In Unison* (Federal/Provincial/Territorial Ministers Responsible for Social Services, 1998) a policy document that identified a vision of full citizenship. Alberta supported this vision but, according to one critic (Heslop, 2000), did not provide the funding required to implement the vision. In Alberta, the apparent strength of neo-liberal beliefs has made the progress toward full citizenship slow. AHRE staff members' comments supported the view that people who were unable to work should be supported and would be referred to Assured Income for the Severely Handicapped (AISH), a program which for the most part has few options encouraging recipients to seek work. After the AISH reforms in 1999, an option that allowed recipients to step forward and attempt too work as much as possible was implemented. If clients went off the program for a job that did not last, they were eligible for "rapid reinstatement" for up to two years. Unfortunately, budget control has meant that few programs specifically for AISH clients are available.

It appears that in Alberta full citizenship for people with disabilities must first comply with neo-liberal principles. The principles and values of full citizenship include equality, inclusion, rights and responsibilities, participation, employment, and income (HRDC, 1999). As people with disabilities step forward and ask for full citizenship they face Alberta's strongly ingrained neo-liberal beliefs. This is a province where people are valued for their individualism and economic independence and where poverty is seen as an individual failure. The need for community support is lost in the demand for individual responsibility. People with disabilities may move into Alberta's version of "full citizenship," which means that they take their chances in the free market and risk facing the fate of those who fail to meet the rigid demands of individual responsibility, that is, becoming one of the "undeserving poor."

The disability community is active in its advocacy of the vision of full citizenship. This thesis suggests that in neo-liberal Alberta it may be a case of "be careful for what you ask." Disability advocates might benefit from a critical analysis focusing less on what people with disabilities are entitled to in terms of income and employment and examining what responsibilities people with disabilities can expect if they are treated as the "undeserving poor." Perhaps the disability community and advocates for the poor could join forces and begin advocating for all the underprivileged in neo-liberal capitalist society.

VI.3 Social Control

Another effect of the advent of neo-liberalism in Alberta appears to have been an increase in social control of the poor. Social control of welfare recipients is not new, but during the 1990s there was a movement away from perceiving the social assistance department as existing to "protect and promote the social well-being of all Albertans" (AFSS, 1990) to "provid[ing] a continuum of services and information that enables individuals to succeed in the changing workforce, foster safe and healthy workplaces and assist people in need" (AHRE, 2002). This might also be seen as a move away from protecting people in need to protecting the interests of the taxpayer.

Tightening of the regulations for eligibility for welfare benefits has resulted in a more adversarial environment where people must prove they are telling the truth and are assumed to be dishonest until evidence shows otherwise. In 1992, the fraud and investigation squad expanded the number of investigations of suspected cases of abuse of the income support program with a view to criminal prosecution of recipients suspected of deliberately defrauding the program (AFSS, 1992). This increase in the number of fraud investigators, and comments from a number of AHRE staff members interviewed, suggests that there was no starting assumption that people were honest, but rather the opposite.

Both AHRE staff members and their clients have been impacted by the introduction of departmental business plans in 1993. The 2002-05 AHRE business plan provides an example of how such plans direct and manage both staff members and those seeking assistance. AHRE employees at all levels track the outcomes indicated in the yearly business plans. Services and programs are created in response to business plan strategies in order to meet the performance measures. In their efforts to meet the demands of the business plan, staff members influence the direction of their clients' lives. The result is that much more of the department's activity is focused on meeting the government's goals than on addressing client needs and trying to improve their ultimate well being.

Other control mechanisms include the rigid demand for compliance from those applying to the government for assistance. This compliance focuses on the pressure to develop an employment plan, attend job search or employment programs, and then to get a job. While the Alberta government states that there is no "workfare" in Alberta, Klein (1996) argues that either implicitly or explicitly Canada, including Alberta, has adopted US style workfare programs.

Klein (1996), Livingstone (1998), Lafer (2002), and Miles (2000) all argue that there are more people seeking employment than there are jobs available... In addition, evidence suggests that available jobs are taken by new cohorts emerging from the education system and that the long-term unemployed tend to remain unemployed.

> While the destruction of jobs causes unemployment, the creation of [jobs] does not necessarily lead to a corresponding fall in the number of unemployed on benefits, since the required labour may be recruited from school leavers or from the non-working population, particularly women (Alaluf, 1992, p.14).

Despite this, the Alberta government continues to pursue its supply-side policies, assuming that if welfare recipients complete training or education programs there will be jobs for them to enter

Once again, this focus on individual responsibility to find and maintain employment while downplaying the socio-economic factors that make it difficult for the long-term unemployed to find "good jobs" suggests the dominance of neo-liberal principles in Alberta.

VI.4 Hegemony in Neo-liberal Economies

Hegemony is described as a "contested and shifting set of ideas by means of which dominant groups strive to secure the consent of subordinate groups to their leadership." (Strinati, 1995, p.170, quoted in Taylor, 2001, p.4). Another author states,

> Hegemonic work thus involves the negotiated construction of a political and ideological consensus that incorporates both dominant and dominated groups. As a result, the securing of hegemony by a dominant group may involve concessions to the ideas and values of subordinate groups. However, because hegemony involves social and class struggles, it is neither fixed nor guaranteed." (Taylor, 2001, p.4).

There appears to be a remarkable degree of consensus in the Alberta community about the rights and responsibilities of the poor and about how the government should handle the poor, whether "deserving" or "undeserving." Government and the business community were already partners before the Klein government came to power in 1993. The *Toward 2000 Together* consultation was designed to manufacture consensus for a particular vision through selective consultation with economic and political elites (Lisac, 1995). Welfare, and training and education programs for low-income Albertans are not services required by the majority of middle-class Albertans. The government has worked hard to distinguish between hard working, contributing Albertans and those who want to "live off" the public purse (Lisac, 1995; Harrison & Laxer, 1995). It is not surprising, then, that the general population supported cuts in welfare rates.

However, further hegemonic work can be seen in changes currently being introduced in the Skill Investment Strategy.[8] Public and private post-secondary institutions that have traditionally delivered basic education, academic upgrading and English as a Second Language (ESL) programs are now expected to develop programs with less focus on basic education and more on occupational skills and work experience. If the Skill Investment Strategy is to succeed, these institutions will have to come on side. The consensus-building process is currently underway. It remains to be seen if the education providers support the changes.

Despite numerous meetings and consultations by the government with educational institutions, none were held with those who would receive the services. Welfare recipients were not asked what type of education or training programs they felt would assist them to become independent. In moving toward hegemony on this issue, the unemployed do not appear to be a subordinate group to be concerned about.

Despite this, MLAs received enough complaints from constituents on the plight of the "working poor" to initiate the Low-income Review in 2001. The recommendations stemming from this Review resulted in a new Employment and Income Support Act and the introduction of the Skills Investment Strategy, but no increase in welfare rates until "the budget permits." For the most part, key players in the Alberta political and economic elite have not responded to the issues raised by the working poor, and there has been no ongoing demand for change. The poor have little voice, and even with advocates speaking on their behalf it is difficult to develop any counter-hegemonic activity.

What about hegemony among the AHRE staff interviewed for this thesis? As noted frequently, those interviewed responded to the demands of the job. Although in many cases they had concerns about what they were being asked to do, there was little or no counter-hegemonic activity that would require "the education of members, formation of coalitions across labour and social justice groups, and ultimately, the development of a broadly based alternate vision" (Taylor, 2001, p.13). Despite their concerns many of the interviewees agreed with the need for people, including those with disabilities, to be independent and, whenever possible, to enter the workforce.

VI.5 Further Research and an Alternate Vision

The intent of this thesis was to examine the impact of neo-liberal philosophy in Alberta from the perspective of AHRE staff. Confirmation that the policies of the Alberta Government reflect a neo-liberal perspective was not unexpected, particularly as they relate to welfare recipients. Although people with disabilities initially appear to inhabit a unique position because of their "deserving poor" status, they quickly become like other Albertans when they seek to enter the "mainstream" society. Unfortunately, the results of this "mainstreaming" are often not what is expected by disability advocates. Further research into the labour market position of people with disabilities in neo-liberal Alberta could augment the limited information available on their participation in mainstream society. We need to know more about the factors that are likely to support or impede positive social change. Important questions to ask include: Are there possible unintended consequences if the goal of full citizenship for people with disabilities is achieved? Can the disability community strike a productive balance in advocating for the rights of people with disabilities and working cooperatively with government decision makers?

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[8] The Skill Development Program focused on providing basic education, high school and English as a second language to Albertans. In 2000, it appeared that this strategy was not successful and a new Skill Investment Strategy was developed to target unemployed Albertans.

It would also be interesting to research why the disability community and advocates for the poor and other disadvantaged groups such as poor seniors and aboriginals do not work together more often. Poverty, regardless of the specific person or group, has the same crushing impact. How can the voices of the poor be united to create positive social change? Surveys with individuals or advocacy groups could provide insight into why there is so little unity among these groups and how this situation could be changed.

Finally, this thesis showed how infrequently AHRE employees, even if they were clearly opposed to the direction of the government, engaged in counter-hegemonic work. Further research on the social control exercised by an employer that leads employees to continue to serve the organization regardless of personal views would be interesting and useful. Such research should examine punitive approaches as well as more acceptable methods such as emphasis on accountability, implementation of performance measures, and the use of business plans.

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Appendix 1

Interview Questions

Interviews with AHRE staff serving people with disabilities

Introduction

Hello, I am working on my Masters thesis in Sociology. Thank you for agreeing to take some time to talk to me. The interview should take about one hour. I am studying the services provided to PWD (people with disabilities) and welfare clients (expected to work) in AHRE. I hope that you will tell me how you assist your clients and if possible if you can make any comparisons to these two groups.

1. Describe the type of services you provide to PWD level of disability, how close to employment, describe the typical characteristics of these clients.
2. What type of assessment and planning process do you follow?
3. Do your clients participate in mainstream programs?
4. Are they successful?
5. What barriers to participation in AHRE programs do your clients face?
6. Are programs designed to service PWD effective?
7. What changes would you like to see in services for PWD?
8. What changes have you seen in service to this group? Are these changes positive or negative?
9. Are there any inconsistencies in the expectations the department has for PWD and other clients? What are they?
10. How has your service delivery changed since approximately 1993? Do you think these changes are positive?
11. Do you feel that mainstream or special programs and services are most effective for the majority of PWD? Are there any exceptions?
12. Do older workers enter training or do they attempt to directly enter the work force through training on the job?

13. How old do your clients tend to be?
14. How many of your clients enter trades or apprenticeship? Do you suggest or encourage these choices?
15. Can you link your service delivery to government policy and direction?
16. Can you compare service to PWD and welfare clients? Are career planning, supports, and recognition of barriers similar?
17. There is strong advocacy from PWD and advocates, but there does not appear to be similar advocacy for welfare clients. Do you agree? How do you compare services to these two groups? Should they be similar? Why not?

Interviews with AHRE staff who work with welfare clients,

Introduction

Hello, I am working on my Masters thesis in Sociology. Thank you for agreeing to take some time to talk to me. The interview should take about one hour. I am studying the services provided to PWD (people with disabilities) and welfare clients (expected to work) in AHRE. I hope that you will tell me how you assist your clients and if possible if you can make any comparisons to these two groups.

1. Describe the type of services you provide to your clients.
2. Are they successful? What changes, if any, would benefit your clients?
3. Are programs designed to service welfare clients effective?
4. What barriers to participation in AHRE programs do your clients face?
5. Your clients are expected to work. Describe they assessment process you follow.
6. Do you assist your clients to develop an employment plan?
7. How often do these plans include training?
8. How many of your clients require basic "life skills"? Do you provide these?
9. Do your clients require communication skills? How do you offer these?
10. How many of your clients enter trades or apprenticeship programs?
11. Do you have young clients who might benefit from entering the trades?
12. Do you have clients 45 plus? How do the plans for these clients differ from other clients?
13. How successful are your clients?
14. How has your service delivery changed since approximately 1993? Do you think these changes are positive?
15. Can you link your service delivery to government policy and direction?

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